

# *The* **NATIONAL UNDERWRITER**

*Life Insurance Edition*



## **A Refresher Course THAT EXPERIENCED SALESMEN WILL USE**

Life Insurance salesmen like the snappy, newsy style of the D.L.B. Agent's Service. New ideas and plans monthly as they develop in the field. Charts, graphs and mathematical calculations to prove to investment buyers that Life Insurance is the best buy. Major subjects, occasionally revised from fresh viewpoints, hence always interesting, always stimulating, always new. A new aspect of a fundamental idea is many times just what a salesman needs to give him increased confidence, courage, determination.

Because this Educational Service is interesting, companies and agencies are finding that experienced salesmen will use it as a Refresher Course, carefully going through the three volumes. A 40-week Training Manual is provided, three to nine questions a week; 38 questions in

the "General Review" quiz at the last, a total of 272 questions which any well-informed Underwriter should be able to answer. This refreshing review not only reminds, but tends to cause more definite opinions to form and besides, ideas are stimulating and continued stimulation is cumulative.

While business is good, morale high and salesmen are seeing a lot of people is the best time to put on a Refresher Course. Better opportunity to improve skills and work habits and to strengthen convictions against the reconversion period which is coming shortly, thank the Lord. Just what the doctor ordered for returning veterans. Write for particulars and experience of companies and agencies who are now operating this plan.

**THE DIAMOND LIFE BULLETINS**

420 EAST FOURTH STREET • CINCINNATI 2, OHIO

**FRIDAY, AUGUST 17, 1945**

## Birdsfoot trefoil . . . mysterious

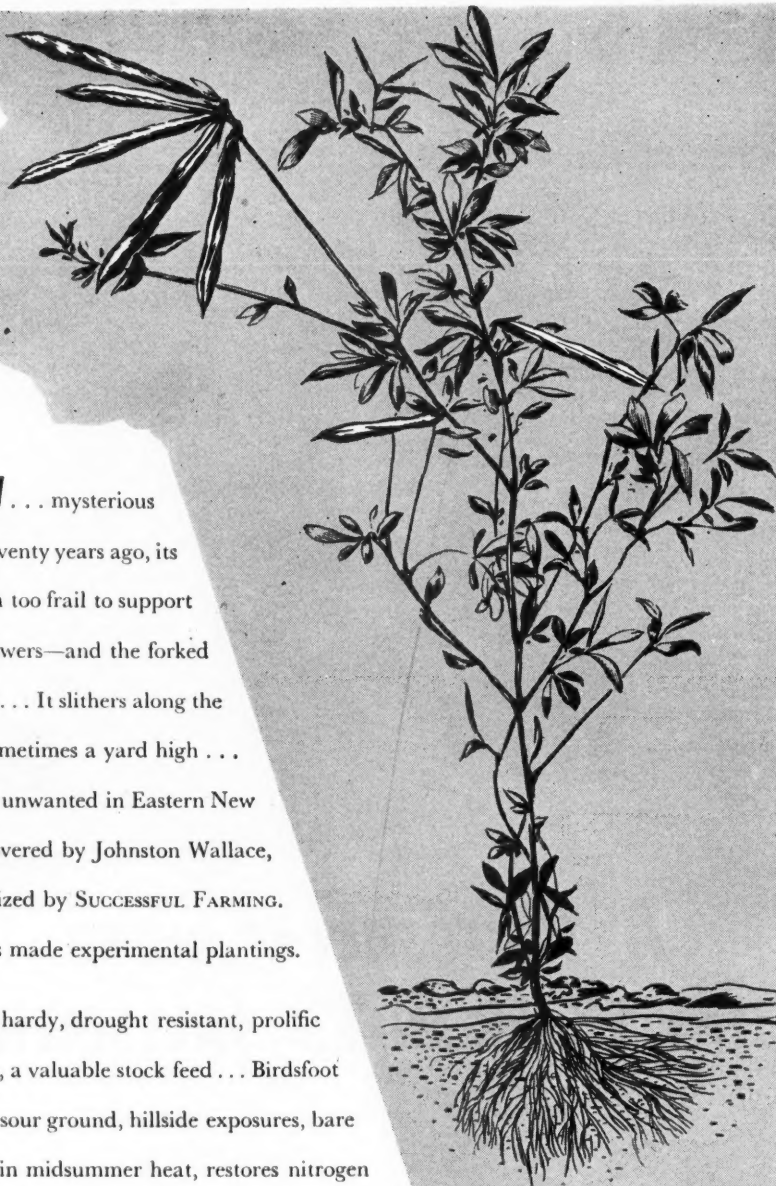
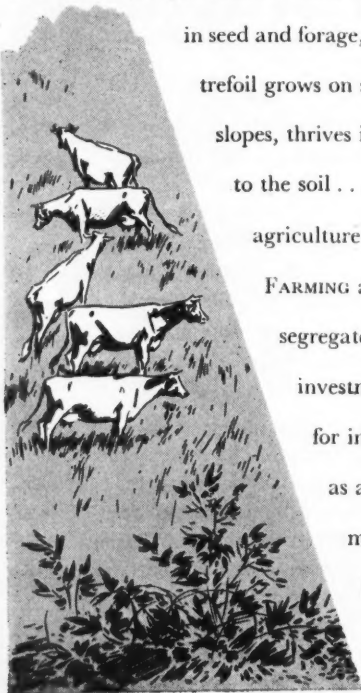
Mediterranean emigrant of some seventy years ago, its maze of roots sends up a thin stem too frail to support the broad leaves, yellow flowers—and the forked seed pods which suggest its name . . . It slithers along the ground, climbs up other plants, sometimes a yard high . . . Less than a decade back, wild and unwanted in Eastern New York and Oregon, it was re-discovered by Johnston Wallace, an Englishman, and first publicized by SUCCESSFUL FARMING. In '42, Iowa State College at Ames made experimental plantings.

**New legume, perennial,** winter hardy, drought resistant, prolific

in seed and forage, a valuable stock feed . . . Birdsfoot trefoil grows on sour ground, hillside exposures, bare slopes, thrives in midsummer heat, restores nitrogen to the soil . . . one more small asset in a more secure agriculture . . . one more small credit to SUCCESSFUL

FARMING and another link of influence with its million-plus subscribers segregated in the fifteen best farm states . . . The farm families with the largest investments yield profits and cash incomes . . . and today's best big market for insurance sales . . . so rich in potential to merit SUCCESSFUL FARMING as an essential tool for enterprising underwriters and agents—successful medium with more insurance advertising than any other farm magazine . . . Ask for proof, any office . . .

SUCCESSFUL FARMING, Des Moines, New York, Chicago, Atlanta, San Francisco, Los Angeles . . .



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## Mutual Benefit Goes on CSO Table and 2 1-4% Interest

### New Liberalized Features Are Added to Contract Coincidentally

Mutual Benefit Life will be the first company to adopt the commissioners standard ordinary mortality table for the computation of premiums and reserves. This pioneering move is announced by John R. Hardin, president, in connection with the regional conferences now being held by Mutual Benefit for all of its field men.

Beginning Sept. 17, 1945, the CSO table and a 2 1-4% interest rate will be the basis for the premiums and reserves on new policies. Mutual Benefit began studying the possibilities for a change at the time when the New Jersey legislature adopted the CSO basis, making it compulsory in that state after Jan. 1, 1948. It was the feeling of the officers that since an immediate change in the interest basis was imperative, it would be wise to "kill two birds with one stone" and make the mortality table change at the same time, thereby saving the field organization the necessity of accustoming themselves to two separate changes within a comparatively short time.

### New Features Added

Mutual Benefit at the same time has added several new features to its contract.

1. If the insured shall die during the period covered by a premium payment, there will be included in the proceeds a pro rata part of the last premium paid. In other words it will include in the proceeds any "unearned" part of the last premium paid. It follows that any portion of a year's premium which is unpaid at the death of the insured is not deducted from the amount insured.

2. The new policies contain provisions for a change of plan. At the end of the third or any succeeding policy year, the company agrees to change the plan of insurance to any other plan in use by the company when the policy was issued, provided premiums on the changed policy are payable for at least 10 years from the date of the change. The change will be made on the basis of the difference in reserves and the changed policy will be the same in all respects as if it had been so issued, except that the amount of any dividend additions or dividend accumulations will not be changed. Suitable requirements for establishing insurability are set forth where a change is made which increases the company's risk.

This provision is retroactive and will be made applicable to old policies.

3. Under the settlement options, the right of withdrawal or commutation, if not withheld, may be exercised within 90 days after the maturity of the policy as well as within 31 days after any anniversary of the maturity.

### Neutralizing Effect

The adoption of the lower rate of interest has the effect of increasing the net premiums, while the adoption of the new mortality table, showing as it does, very much lower rates of mortality, particularly at the younger ages,

## New Round Table Member Record Set in 1945

**Total 468; 270 Qualifying Members and  
99 Life and Qualifying**

The 1945 Million Dollar Round Table of the National Association of Life Underwriters is the largest in its 19 year history, with 468 total membership compared to 408 last year, Chairman John E. Clayton, Massachusetts Mutual, Newark, reports. There are 270 qualifying members, 99 life and qualifying members, a total of 369 compared to 313 last year. In addition there are 78 life members and 21 inactive members in war service. Of the 270 qualifying members, 141 are first year members.

The report of the 1945 Million Dollar Round Table, which is being prepared by Louis Behr, Equitable Society, Chicago, vice-chairman, will be mailed to the membership in September in lieu of the annual meeting. Mr. Behr is being assisted in the preparation of the report by the members of the program committee. The report will be divided into six sections covering pension plans, other group employee plans, other corporation coverage, life insurance as an investment, profit sharing plans, and a miscellaneous section covering estate planning and analysis, partnership problems, program selling and logistic integration.

The complete list of qualifying, life and qualifying, life and inactive members follow:

### QUALIFYING MEMBERS

Samuel A. Aaron, Equitable Society, Los Angeles; Edward L. Allison, Tulsa; Charles Ansell, New York Life, New York; J. Leland Anderson, New York Life, Beverly Hills, Cal.; E. Frank Andrews, Jefferson Standard, Greensboro, N. C.; Harry W. Andrews, Provident Mutual, Tacoma; Raymond B. Anthony, Equitable Society, Chicago; Marsden Austin, New York Life, Chickasha, Okla.; E. H. Bachschmidt, Jefferson Standard, Washington, D. C.; Harry J. Baker, Bankers National, Boston; Roger L. Baldwin, Northwestern Mutual, Washington, D. C.; Harold L. Barnett, Northwestern Mutual, New York; Walter B. Bauman, Modern Life, Jackson, Miss.; Oscar D. Beasley, Acacia Mutual, Newport News, Va.; Myron H. Beitman, Harrisburg, Pa.; Arnold Belais, Northwestern Mutual, New York; Lewis E. Bender, Acacia Mutual, Minneapolis; Sanford M. Bernbaum, Penn Mutual, Seattle; Milton M. Bernstene, New York Life, Chicago; N. S. Dienstock, Massachusetts Mutual, New York; Morton Bigger, Southwestern Life, Dallas.

Stanley A. Borchardt, New England Mutual, Los Angeles; Paul Bordlee, Prudential, New Orleans; Thomas R. Bouck, John Hancock, Akron, O.; Raymond H. Bradstreet, New England Mutual, Los Angeles; A. F. Breher, Northwestern Mutual, St. Paul; Jerome H. Breyer, Penn Mutual, San Francisco; Daniel M. Brigham, Northwestern Mutual, Los Angeles; Reed W. Brinton, New York Life, Los Angeles; Edward E. Brown, Penn Mutual, Chattanooga; J. Wellburn Brown, Mutual Benefit, Louisville; A. W. Brubaker, Columbus Mutual, Tampa, Fla.; H. R. Buchman, Old Line Life, Milwaukee; Nathan Burghelm, Northwestern Mutual, St. Louis; George B. Burns, Equitable Society, Los Angeles.

Nicholas G. Caputi, Fidelity Mutual, Providence, R. I.; W. Roy Carrick, Aetna Life, Worcester, Mass.; A. R. Cassidy, Equitable Society, Coral Gables, Fla.; Quan Lun Ching, Prudential, Honolulu, Hawaii; K. C. Chow, Occidental, Cal., San Francisco; Warren E. Clark, Northwestern Mutual, Milwaukee; George E. Clark, New York Life, Los Angeles; Herbert F. Cluthe, Northwestern Mutual, Newark; Ithiel A. Cohen, Reliance Life, Pittsburgh; Erle L. Collins, New York Life, San Francisco; Raymond H. Collins, Penn Mutual, Milwaukee; James T. Comer, Jefferson Standard, Gastonia, N. C.; John P. Costello, Southwestern Life, Dallas.

William D. Davidson, Equitable Society, Chicago; Robert A. Davies, New York Life, San Francisco; Jens M. Delert, Union Central, Chicago; R. Earl Denman, Pacific Mutual, Cincinnati; Donald F. Denton, Fidelity Mutual, Topeka; Otto W. Dern, Northwestern Mutual, To-

ledo; Charles C. Dibble, Northwestern Mutual, Cleveland; Harold T. Dillon, National Life, Atlanta; Wales S. Dixon, Connecticut General, Philadelphia; H. Washington Dodge, Mutual Life, San Francisco; Malcolm Drane, Northwestern Mutual, New York; Leo F. Duax, Equitable Life, Eau Claire, Wis.; A. C. Duckett, Northwestern Mutual, Los Angeles; Frederic T. Dunstan, Acacia Mutual, Los Angeles; Merton Durant, Canada Life, Toronto.

Ernest H. Earley, Northwestern Mutual, New York; Edward R. Eckenrode, Penn Mutual, Harrisburg; Raymond C. Ellis, Home Life, New York; Frank M. Engle, Northwestern Mutual, Tulsa; Edwin R. Erickson, John Hancock, Buffalo; Albert A. Esterkin, Bankers National, Columbus; Milo H. Evans, Massachusetts Mutual, Cleveland.

Harold D. Farber, Security Mutual, N. Y., Buffalo; Walker B. Farr, Equitable Society, South Bend, Ind.; Ben Feldman, New York Life, East Liverpool, O.; Israel C. Feldman, Equitable Society, Philadelphia; Edward Felsenthal, New England Mutual, Memphis; Erwin W. Fenzau, Mutual Benefit Life, Chicago; Samuel W. Fields, Equitable Society, Philadelphia; Harry H. Fisher, Jr., New York Life, Los Angeles; Kenneth C. Fitch, New York Life, Wichita; Jack Fitch, North American Life, Montreal; Irwin Flaster, Penn Mutual, Newark; Louis Frank, New York; Irving Freed, New York Life, New York.

Harry Gateley, Southwestern Life, Fort Worth; Alfred E. Gaumer, California Western States, Red Bluff, Cal.; Bruce I. Gheen, Mutual Benefit, Cleveland; Joshua B. Glasser, Continental Assurance, Chicago; Manuel Glilkbarg, New York Life, Salinas, Cal.; Robert H. Goldschmidt, Provident Mutual, New York; Curtis H. Goodenow, New York Life, Long Beach, Cal.; Russ H. Goodwin, Northern Life, Seattle; Bernard Gordon, Home Life, N. Y., Boston; Charles K. Gordy, Fidelity Mutual, New Haven, Conn.; Roger H. Graver, Connecticut General, Allentown, Pa.; Theodore M. Green, Massachusetts Mutual, Oklahoma City; Hilton M. Grier, Home Life, N. Y., Detroit; Byron S. Griffith, American National, Galveston; Ralph E. Grossberg, Equitable Society, Chicago; George H. Gruendel, Mutual Benefit, Chicago; J. Robert Guy, Northwestern Mutual, New York.

Herman V. Haas, National Life, Cleveland; C. C. Hall, Life of Va., Richmond; James M. Hamill, Equitable Life, San Francisco; John M. Hammer, Massachusetts Mutual, Tampa, Fla.; Lynn A. Hammond, Equitable Life of Iowa, Denver; Trace D. Harkelrode, Acacia Mutual, Leavittsburg, O.

Richard A. Harrison, John Hancock, Sacramento, Cal.; E. A. Hasek, Northwestern Mutual, Kansas City; William H. Haskell, Prudential, New London, Conn.; Sadler Hayes, Penn Mutual, New York; Rolla R. Hays, Jr., New England Mutual, Los Angeles; Paul A. Hazard, Jr., New England Mutual, Chicago; Richard M. Heftler, Northwestern Mutual, Chicago; Carl R. Hendrickson, Bankers Life, Ia.; Holdrede, Neb.; John Hern, Prudential, Johannesburg, So. Africa.

William C. Hester, Pan-American Life, Jackson, Miss.; William C. Hewitt, Northwestern Mutual, Milwaukee; Richard A. Hilliard, Acacia Mutual, Norfolk, Va.; R. A. Hilliard, Reliance Life, Asheville, N. C.; Gerald A. Hollman, American National, Norman, Okla.; H. G. Horn, Business Men's Assurance, Portland, Ore.; Lawrence L. Howard, Columbian National, Boston; John D. Howell, John Hancock, Brielle, N. J.; David W. Hughes, Connecticut General, New York; Leslie R. Hummel, Prudential, Wilmington, N. C.; John R. Humphries, Provident & A. A. Chattanooga; Robert A. Hung, California Western States, Honolulu, Hawaii; Benjamin H. Hunt, John Hancock, Boston; H. A. Huskey, Mutual Benefit, Chicago.

Owen P. Jacobsen, New England Mutual, New York; Bernard Jaffe, Penn Mutual, San Francisco; Edward Johns, John Hancock, Los Angeles; J. C. Johnson, Pan-American Life, Pensacola, Fla.; Newton H. Johnson, Aetna Life, Toledo; T. Blandon Jones, Acacia Mutual, Richmond; J. E. Josephs, New York Life, Charlotte, N. C.

Isaac M. Kanarish, New York Life, Chicago; Richard J. Katz, Massachusetts Mutual, Rochester, N. Y.; Nate Kaufman, Indianapolis Life, Indianapolis; Charles J. King, Mutual Benefit, Kansas City; Harley J. Kirkpatrick, New England Mutual, Warren, O.; Michael E. Knapp,

(CONTINUED ON PAGE 17)

## Insurance Faces Abrupt Changes from War Routine

### Rebuilding of Organiza- tions Presents Opportunity and Problems

While it has become axiomatic that insurance is an industry that faces no problem of reconversion, it is obvious at this day of final military victory that insurance stands on the brink of abrupt change in many directions. After four years or so of becoming adjusted to a war economy, a routine has become established in insurance operations. As difficult as it is in many respects, at least it is a routine. There is today no straining to achieve perfection. We have accommodated ourselves to shortages by tolerating imperfection and delay. Business has been plentiful and the handling of it rather than getting it has been the important task. We are now facing a change in our routine that may be even more shocking, but, of course, without the tragic undertones, than was the change from peace to war.

Insurance men in the property and casualty field, in pondering what lies ahead, perhaps think first of the motor car. While the wartime speed limits have been by no means religiously observed and while very few motorists have kept strictly within their allotted gasoline limits, the speed that has prevailed is far less than the breakneck pace of pre-war days and the amount of driving has been enormously curtailed. Restricted use of the car and slower speeds have become routine.

The departure from that routine which the end of rationing seems to spell is an ominous possibility. The fire and casualty people will have to make quick decision in the matter of insurance rates.

### Effect in Group Field

In the life insurance and accident and health fields, the line that is sure to be the most sensitive to the termination of war contracts is group. Already during the past two or three months there have been cancellations of group plans due to plants having come to the end of their war duties. There is likely to be a radical sloughing off of group cover, but, of course, as the workers find their way back into peace time jobs group insurance should recover in splendid fashion. The war has caused a much greater acceptance of and demand for group insurance of all kinds and even though the tax incentive to its purchase may become less, it has become standard equipment.

The great emphasis in the insurance industry now will be on restoration of personnel. That presents a magnificent opportunity but it involves major problems. As the organization becomes replenished, the tempo of operations will be stepped up. It will be difficult to make plans for the immediate future because of uncertainty as to just when men that are expected to return will be released from military service. All of the difficulties attendant upon assimilating a large number of new employees at one time will be encountered. Many men who have been taken on during the war as replacements have proved competent and useful and some hard decisions will have to be made.

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## IRB Rules on Questions of Pension Termination

WASHINGTON—Considering situations resulting in complete or partial termination of stock bonus, pension, profit sharing, or annuity plans, C. B. Allen, acting deputy commissioner of internal revenue, has ruled in PS 52 on a number of points involved concerning application of the regulation holding in effect that a temporary plan would be viewed with suspicion especially under specific circumstances.

The PS holds that in certain cases of bankruptcy or insolvency, other "business necessity," sale of business, going out of business or consolidation of companies, abandonment of a plan within a few years will not necessarily be regarded as evidence that it was not a bona fide permanent program from its inception.

However, the PS gives examples of plans abandoned under conditions outlined to which it holds the presumption of lack of bona fides would apply.

Failure of an employer promptly to notify the revenue bureau of discontinuance of a plan will be regarded as prima facie evidence the plan was not bona fide.

It discusses the above and other points, including the requirement of non-discrimination. The fact that a plan conforms to internal revenue mimeograph 5717 does not preclude a finding that it is discriminatory, nor is it evidence that it is bona fide.

"Particularly, for a plan terminated in 1944," says the PS, "the generally acceptable conditions conforming to mimeograph 5717 have no effect at all, because of the relief allowed in paragraph 4 of the mimeograph for benefits purchased and guaranteed prior to Jan. 1, 1945. Likewise, for plans terminated soon after 1944, the provisions of mimeograph 5717 have little or no effect."

PS 52 follows practically in full text: Advice is requested, in a case where a plan is terminated or abandoned within a few years after its adoption, as to the application of the part of section 29.165-1 (A) of regulations 111 which provides:

"The term 'plan' implies a permanent as distinguished from a temporary program. While the employer may reserve the right to change or terminate the plan, and to discontinue contributions thereunder, if the plan is abandoned for any cause other than business necessity within a few years after it has taken effect, this will be evidence that the plan from its inception was not a bona fide program for the exclusive benefit of employees in general. Especially, will this be true in the case of a pension plan under which pensions were fully funded for the highly paid employees or others in favor of whom discrimination is prohibited under section 165 (A) and which was abandoned soon after the pensions for such favored employees had been provided."

### Example Is Given

The application of this provision of the regulations to the general case would be in a manner such as the following:

When a newly established plan is first considered for a ruling by the bureau, the presumption is that the plan is being established in good faith as a permanent program, unless there is clear evidence to the contrary in the facts and circumstances surrounding the adoption of the plan. Therefore, in most cases the issue of intended permanence is resolved in favor of the tax payer at the time of adoption of the plan. However, if within a few years the employer decides to abandon the plan and there have been no unforeseen developments in his business which make it impossible to continue the plan, this must be taken as evidence that the employer did not intend the plan as a permanent program from the time of its inception. Thus, when a plan is discontinued within a few years after its adoption for any cause other than business necessity, the original presumption of intended permanence must be replaced by a presumption that the employer did not intend the plan as a permanent program from the beginning. In the absence of evidence rebutting this presumption, such a plan would then be disqualified retroactively as not being a permanent program for the exclusive benefit of employees in general.

The next question is under what conditions is it possible to overcome the

presumption that a plan which was abandoned within a few years after its adoption was not a bona fide permanent program for the exclusive benefit of employees in general. As indicated in the regulations one such condition is that the abandonment was due to "business necessity." The term "business necessity" has reference to the adverse business conditions, not within the control of the employer, under which it is not possible to continue the plan. Bankruptcy or insolvency would ordinarily be prima facie evidence of such "business necessity." Discontinuance of the business of the employer may also be shown in some cases to be for such "business necessity." In other situations, whether or not abandonment of the plan is deemed to be due to "business necessity" will depend upon the facts and circumstances of the individual case. Another condition for overcoming this presumption is that such "business necessity" could not reasonably have been foreseen when the plan was adopted. The following example illustrates the policy of the bureau with respect to a typical situation:

### Post War Disappointment

"M" company established a pension plan in 1942, funded on an individual contract, level premium basis. The cost for the first year was \$25,000, and it was estimated that this would be the approximate annual cost as long as the number and distribution of covered employees remained fairly constant. The annual cost for the pre-war complement of employees would be approximately \$12,000. Net profits for the 20 year period prior to adoption of the plan averaged \$10,000 a year, and in no year prior to 1940 did the profits exceed \$15,000. The company had been a marginal producer. With the advent of the war the company experienced a large increase in business, receiving many orders from new sources. "M" company's profits increased to about \$20,000 in 1940, \$50,000 in 1941, and \$150,000 in 1942. At the time of adoption of the pension plan, the management of the company expressed considerable optimism as to the company's post war prospects, believing that several new products the company had begun to manufacture would find a steady market and that it would retain many of its new customers after the war.

\* \* \*

The company's profits remained at \$150,000 in 1943 and 1944. After a reduction of war orders in 1945, however, the profits for that year were only \$50,000. In 1946 it began to appear that the post war prospects were not as favorable as had previously been anticipated. Its more efficient competitors were laying plans to manufacture the new products also, and with the ease in the supply situation, customers began to return to their pre-war sources of supply. It appeared that the company would have little or no profits in 1946 if it paid the annual cost of its pension plan, which amounted to \$15,000 for that year. The company discontinued contributions under the pension plan in 1946.

Under the facts stated, it is held that the abandonment of the plan was not due to business necessity, and that the plan was not a bona fide permanent pension program from its inception, but was merely a device to increase compensation or distribute profits during excess-profits years.

### Overcoming Presumption

The presumption as to the lack of a bona fide permanent program in the case of a plan which is terminated within a few years may be overcome in certain situations in which the business is sold or transferred to a successor and successor immediately terminates the plan even though such termination may not be due strictly to "business necessity," as interpreted above. For example, a company having a plan may be acquired as a subsidiary by another company, which has its own plan. The parent company may prefer to terminate the subsidiary's plan and extend its own plan to the employees of the subsidiary. Such termination generally would not result in retroactive disqualification. Even if the parent company does not have a plan, but if the new employees of the new subsidiary are closely associated in their operations with the employees of the parent company, and the latter cannot afford a plan for all its employees, the parent company may find it necessary to terminate the plan for the subsidiary.

\* \* \*

The exception mentioned in the previous paragraph would not apply, however, where a subsequent sale or transfer of the business and consequent termination of the plan might have been anticipated at the time the plan was adopted. Nor would the exception apply in a case where the successor to the business was closely associated with

(CONTINUED ON PAGE 19)

## Orr Slated to Head American Society of C. L. U.

Clifford H. Orr, Philadelphia general agent National Life, Vt., has been nominated for president of the American Society of Chartered Life Underwriters. Rolland D. Hinkle, assistant manager Equitable Society, Chicago, is slated for vice-president and Edward A. Krueger, manager field service State Life of Indiana, treasurer. Frederick W. Floyd is executive secretary.

Nominees for directors are: Northeast, Corydon K. Litchard, Springfield, Mass., general agent Massachusetts Mutual; middle eastern, Howard H. Cammack, Charleston, W. Va., general agent John Hancock; southern, Clyde R. Welman, Memphis general agent National Life, Vt.; middle west, Clarence E. Smith, Northwestern Mutual, Chicago; western, Karl K. Kroge, Spokane manager Business Men's Assurance.

### Voting Is By Mail

The vote is by mail, Harry R. Schultz, Mutual Life, Chicago, being chairman of the tellers' committee.

The society's annual meeting will be held Aug. 27 at the Edgewater Beach Hotel, Chicago. The new officers will be installed at a dinner that evening which will be preceded by a cocktail party given by the Chicago chapter. The directors will hold sessions the following day.

## Seven N. Y. Life L. A. Men Makes Round Table Grade

Seven members of the Los Angeles branch office of New York Life have qualified for the Million Dollar Round Table. J. Leland Anderson, who has been with New York Life eight years, qualified again this year for the second consecutive time.

Harry H. Fisher, Jr., also qualified this year for the second consecutive year. He has been connected with the New York Life for 21 years.

Louis K. Sims also has qualified for the second consecutive year. He has been with the New York Life for 27 years.

There are four members who are making the round table for the first time. They are Reed W. Brinton, who has been in the business eight years; George G. Clarken, who has completed 26 years with New York Life; John R. Routsong, 12 years, and King Vanderwicken, 20 years. Mr. Vanderwicken is a former president of the Iowa State Life Underwriters Association.

## Paper-Flinging in N. Y. Not Up to V-E Day Mark

NEW YORK—Tuesday evening's news that the Japanese surrender was official caused a surprising amount of paper-flying in the downtown insurance district even though the sirens didn't begin to wail until nearly 7 p. m. Late workers joyfully tore up paper and threw it from windows as the powerful sirens originally installed as air-raid alarms warbled against a discordant background of steamship whistles.

Streets in the insurance district were littered with paper beginning early Tuesday but it was trifling compared with the paper downpour the morning that news of Germany's surrender broke. Had Tuesday's official announcement come during business, however, the paper-flying would doubtless have far exceeded that V-E Day, if for no other reason than the absence of further need to save waste paper for war use. Business proceeded as usual among insurance offices Tuesday and except for expressions of annoyance at the Japs' delay there was remarkably little conversation about the impending announcement.

## N. A. L. U. Election Interest Centers in Secretary Post

### Dore Not Candidate for Trustee Reelection—Theo Green Is Running

As the day approaches for the annual meeting of the trustees of the National Association of Life Underwriters, interest in the election situation centers secretary between Jul B. Baumann of Houston and Clifford H. Orr of Philadelphia. Both are highly regarded prominent figures nationally and the likelihood is that whoever comes out second best this year will be in an extremely strong position for election to the office next year.

The announcement this week that E. J. Dore, Berkshire Life, Detroit, is not a candidate for reelection as trustee serves to reduce the area of contest for positions on the board. There will be seven trustees to be elected. This comes about because in addition to the six terms normally expiring at this time, both Mr. Baumann and Mr. Orr have a year to go as trustees and the fact that one of them is to be elected secretary means that there will be one year term on the board to be filled. Of the six trustees whose terms are expiring, four are definitely in the running for reelection. They are E. Dudley Colhoun, Shenandoah Life, Roanoke; E. A. Crane, Northwestern Mutual, Indianapolis; Wayman L. Dean, Life & Casualty, Jacksonville; and Steacy E. Webster, Provident Mutual Life, Pittsburgh.

Ralph W. Hoyer, John Hancock Mutual, Columbus, sometime ago stated that he was not a candidate for reelection and now Mr. Dore has removed himself.

That means that outside of the board members there will be places for three newcomers. The most active campaigns so far, at least, have been for John D. Moynahan, Metropolitan Life, president Chicago Association of Life Underwriters, and Jack Hilmes, Equitable Life of Iowa, Des Moines. Then a campaign was started for Roderick Pirnie of Providence. The name of A. J. Rebshtein, New York Life, Covington, Ky., has also been mentioned. The most recently entry is Theo M. Green, Massachusetts Mutual, Oklahoma City. After the Oklahoma Association of Life Underwriters endorsed him for office, he resigned as a member of the national nominating committee. His successor on that committee is Frank Mozley, Beneficial Life, Salt Lake City.

President W. H. Andrews, Jr., the other day addressed a letter to all candidates for office saying that he intends at the Chicago meeting of the trustees to instruct the secretary to place in nomination the name of any candidate who may be omitted from the slate submitted by the nominating committee. This will be done in behalf of any candidate who officially notifies the N.A.L.U. of his desire to be so treated.

### Georgia Groups for Orr

The Georgia State Association of Life Underwriters and each of the local associations in Georgia has endorsed the candidacy of Clifford H. Orr, National Life, Philadelphia, for secretary of the National Association of Life Underwriters.

### Start Activities in October

At a meeting of the officers and executive committee of the Life Insurance & Trust Council of North Jersey in Newark, it was decided to start activities in October. The first speaker will be a prominent trust officer who will discuss "Administration and Mechanics of the Trust Fund."



## All-Industry Group Names Subcommittees for Further Probing

Reports "Considerable Progress"; Will Meet Again in N. Y. Sept. 19-20

NEW YORK—The phrase "to the extent that such business is not regulated by state law," which designates the application of the Sherman, Clayton and Federal Trade Commission acts to the insurance business after the moratorium expires, appears to have been the principal center of discussion at the two-day meeting here of the all-industry committee designated to evolve generally agreed-upon recommendation in the light of public law 15 and the impact of the Clayton, Federal Trade Commission, and Robinson-Patman acts on the insurance business. Considerable progress was made, according to a statement given out after the meeting.

A variety of views was expressed as to how various state laws should be amended to make certain that the insurance business will remain under the states' supervision and not be affected by the Clayton, FTC and Robinson-Patman acts. However, a high degree of harmony is reported to have prevailed, with none of the 17 groups represented taking a stand that would, at this stage at least, seem likely to endanger the committee's objective of arriving at a set of recommendations that would be representative of the views of the insurance industry as a whole.

### Next Meeting Sept. 19-20

The all-industry committee will meet here again Sept. 19-20, the exact place to be announced later. The group appointed three subcommittees on the Clayton, Robinson-Patman and Federal Trade Commission acts respectively to study the acts further and if possible bring back reports with recommendations at the September meeting.

J. Raymond Berry, general counsel National Board of Fire Underwriters, is chairman of the subcommittee on the Clayton act. Other members of this subcommittee will be drawn from the American Mutual Alliance, American Life Convention, Association of Casualty & Surety Executives, Health & Accident Underwriters Conference, Life Insurance Association of America, and Surety Association of America.

### Robinson-Patman Committee

J. M. McFall, vice-president of United States Fidelity & Guaranty, is chairman of the subcommittee on the Robinson-Patman act, other members being R. L. Hogg, general manager American Life Convention; H. E. Moore, president National Association of Insurance Brokers; W. Ray Thomas, president National Association of Insurance Agents; H. T. Freeman, president Manufacturers Mutual Fire, and J. R. Cooney, president Firemen's group.

D. E. Satterfield, Jr., general counsel Life Insurance Association of America, is chairman of the subcommittee on the federal trade commission act. Other members are C. A. Loughin, general counsel of Home; W. E. McKell, vice-president American Surety, and Henry Moser, attorney for Allstate, representing the National Association of Independent Insurers.

The American Mutual Alliance will also be represented on the two latter committees but representatives have not yet been designated.

The make-up of the committees appointed (CONTINUED ON LAST PAGE)

## Life People Not Too Worried on Reconversion

Life company officials do not appear to be too much concerned about the reconversion slump. They believe that it will be temporary. There is, of course, not much they can do to offset it. Life business is expected to fall off somewhat with contract cancellation and layoffs.

There is a disposition not to regard the exceptionally good business of the past three or four years as in any way abnormal. One observer makes the point that though life insurance purchases have increased markedly, in comparison with total national income, they are not as large as at some previous periods. With the public acceptance of life insurance stronger than ever, an even larger percentage of the nation's income could go into insurance contracts, and agents might well keep this in mind in measuring, not the increase they have achieved, but the potential they can regard as possible.

One thing the life people have been watching is the possibility of some disease of epidemic character developing in the turmoil of Europe. One point made is that the present war in Europe ended in May, whereas the former war ceased in November and was immediately followed by a cold as well as hungry winter.

## Georgia No Longer to Require Mid-Year Statements

Under the newly adopted Georgia constitution, the necessity of insurance companies filing midyear statements is done away with. Until this time Georgia has been the only state to require the filing at midyear of figures which become a matter of public record. These statements have been brief, including merely amount of assets, capital, surplus, contingency reserve and income and disbursements for the six months.

## Justice Man on S.E.U.A. Case Tells His Story

The "Journal of American Insurance," publication of American Mutual Alliance, in its current edition publishes a play-by-play account of the Department of Justice prosecution of the fire insurance companies and the events leading up to the S.E.U.A. decision as written by Frank H. Elmore, former special assistant to the U. S. attorney general who had much to do with the case.

Much of what Mr. Elmore writes is a review of facts well known to insurance people but especial interest is taken in some of his personal observations and in the revelation of the misgivings on the part of some within the Department of Justice as to the correctness of the course that was being pursued and also some of the considerations of legal strategy.

Especially interesting is Mr. Elmore's statement that the Department of Justice feared that the insurance companies would elect to stand trial on the indictment in the S.E.U.A. case before the federal court at Atlanta. The Department of Justice was apprehensive that the companies would decide to go to trial and at the close of the government's case move the court to enter a directed verdict of acquittal on the ground that since the U. S. Supreme Court had held that insurance was not interstate commerce, the court lacked the jurisdiction to enter judgment.

### Would Have Been Adjudication

This stratagem, Mr. Elmore declares, had it been employed successfully, would have placed the government in virtually the same position in which it would have found itself had its earlier fears of an adverse ruling on the challenge of the subpoena materialized. "In fact,

it would have been more serious, for our evidence would then have been heard and the court's ruling would have amounted to an adjudication, notwithstanding the weight of the evidence, that the defendants were not guilty. There would have been no appeal, for the law makes no provision for an appeal by the government from a judgment of acquittal in a criminal case."

Mr. Elmore states that he has since learned that such a course was strongly urged upon attorneys for the insurance companies, but was rejected "primarily because many officials of the defendant companies feared the adverse effect which the publication at the trial of the evidence supporting the indictment might have upon their public standing and commercial relations. They probably assumed the government knew everything about the conduct of their business and that it could and would prove all the charges of the indictment."

The Department of Justice thus was greatly relieved, Mr. Elmore states, when the insurance companies filed a demurrer to the indictment.

### Virgin to the Courts

Mr. Elmore tells of his studies leading up to the decision that action should be taken. He emphasized particularly the Missouri rate scandal and the representations of the then attorney general of Missouri, Roy McKittrick. On Jan. 21, 1942, Mr. Elmore addressed a memorandum to Assistant Attorney General Thurman Arnold saying that the government had never filed an action against insurance companies under the federal anti-trust laws. "The issue of whether a combination of insurance companies, doing interstate business, which fixes and enforces schedules of rates applicable to insurance contracts, is virgin to the courts," he wrote.

He went on to say that every case in the Paul vs. Virginia line has been concerned with the efforts of insurance companies to escape the strictures of state legislation. "That the hand of the United States should now be stayed in the enforcement of the laws of the land enacted for the protection of all of its citizens, by dictum and dogma emanating from cases in which the present issues were never before the court is shocking and unreasonable."

Mr. Elmore went on to say that insurance is in reality interstate commerce and concluded:

### Challenge and Privilege

"We must not refrain because of apparent difficulties and uncharted seas from taking the opportunity to present the facts of this matter to the court for consideration de novo as a challenge and a privilege." He said that Thurman Arnold agreed with his conclusions and Mr. Elmore declared without the "imagination and daring" of Arnold, the case would never have been brought.

Mr. Elmore makes the interesting observation that Attorney General Bidle seemed to view the case as a routine Sherman act matter or at least one having no extraordinary features.

Atlanta was selected as the place to institute proceedings, according to Mr. Elmore, because the S.E.U.A. "was said to be one of the most flagrant offenders in monopolistic practices of the four regional bodies," also because the largest number of complaints against "the fire insurance trust" had come from citizens of southeastern states, also because Atlanta was conveniently located.

Shortly after the service of the subpoenas had been effected, Mr. Elmore stated, he was visited by John T. Cahill of the New York law firm, representing S.E.U.A. Mr. Cahill, he said, reminded Mr. Elmore of the Supreme Court decisions holding that insurance is not commerce, stating that his clients were

## An Old Policyholder

A death claim we paid last month was on a policyholder who had been born in 1849, two years after the organization of the Company. Had he lived but a few months longer his Ordinary Life policy would have matured as an endowment at 96.

He was an Ohio farmer, and had insured in 1880, when he was 31. Still a boy when the War Between the States broke out, he was too young to be in the army, and too old when the Spanish-American War came.

In 1888 he received a letter from the Company, removing the original restrictions of the policy, so that thereafter he was "permitted to serve in the militia or the military or naval forces in times of peace without prejudice." Also he could now travel "in any habitable portion of the world not within the limits of the torrid zone."

And finally he could be "personally employed as an engineer or fireman in charge of a steam-engine, or as an officer or employee upon any railroad or steam vessel," or "enter upon any aerial voyage." But he must not "die by suicide, feloniously or otherwise, . . . or by the hands of justice."

\* \* \*

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

willing for a judicial test of the constitutional basis of the government's power to proceed against insurance companies under the federal anti-trust law. He proposed an amicable civil action as the vehicle for such a test. Mr. Elmore replied that the department had insufficient evidence at hand on which to draft a complaint, that it had made no field investigation nor had it examined the documents called for by the subpoenas.

#### Offered to Stipulate

Mr. Cahill offered to stipulate with the department as to the facts on which the action would be erected. Mr. Elmore said he was compelled to decline this offer because to have accepted it would have placed the department entirely at the mercy of the insurance companies. Without thorough investigation and study of documents the department would have had no means of verifying the accuracy and completeness of the facts to be stipulated. He said the department would proceed with the grand jury investigations and insist upon the compliance with the subpoenas.

"Efforts were made by several highly placed persons to persuade the department to drop the investigation

entirely but without effect," Mr. Elmore writes.

At another point Mr. Elmore said there had been differences of opinion in the Department of Justice as to the complexion which the government's argument should assume in arguing the demurrer in Atlanta. Some thought that since it would be to the government's advantage if the district court sustained the demurrer, thereby opening the way to a direct appeal to the Supreme Court, the government should not urge its case too strongly on the federal judge at Atlanta. Mr. Elmore said that he was opposed to such strategy, feeling that the department should present its contention with the utmost vigor, giving the judge the full benefit of its research and analysis.

#### Mystery Is Dispelled

Mr. Elmore sheds light on the mystery of the action that was started while the Atlanta case was in progress, against the National Board, Cotton Insurance Association and Cotton Fire & Marine Underwriters. The Justice Department caused subpoenas to be served on those organizations requiring the production of certain documents before federal grand jury in New York. This step, he explains, was in the nature of

a hedge against the possibility that the government might lose in its attempt to establish jurisdiction in the S.E.U.A. case on the ground that the insurance business was not interstate commerce. The department wished to be prepared against that contingency, to bring another case asserting jurisdiction on the ground that insurance coverage was essential to and thus affected the movement of goods and commodities in interstate commerce hence the action against the cotton insurance pools. The subpoenas of the National Board were solely for the purpose of obtaining information.

The attorneys for the insurance companies offered to produce the documents for examination at their offices in New York if the government would withdraw the subpoenas without publicity. Mr. Elmore accepted this proposal and made a thorough study of the material. The press was never informed that the documents had been produced, he stated.

Mr. Elmore reveals that after the Atlanta judge sustained the demurrer to the indictment, some members of the justice department legal staff were either opposed to or lacked enthusiasm for taking an appeal. Tom C. Clark, now attorney general, at that time was assistant attorney general in charge of the anti-trust division. Clark addressed a memorandum to the solicitor general recommending that appeal be taken. Later the solicitor general authorized the appeal.

#### Biddle Does It Himself

Mr. Elmore stated that the importance of the case, the public interest manifested in it, as well as the possibility that the decision might become one of the important landmarks of constitutional law, induced Attorney General Biddle to present the arguments of the government before the Supreme Court. Mr. Elmore remarked that it is seldom an attorney general personally appears for the government. He said that Homer Cummings appeared but once, Frank Murphy not at all, Robert Jackson twice and Biddle on only one other occasion.

Mr. Elmore states that the action of Congress in passing public law 15, which is the insurance act, signifies its acquiescence in the decision of the Supreme Court in the S.E.U.A. case, as the basis of the legislation is the recognition and affirmation by Congress of its power under the commerce clause to regulate interstate commerce in insurance. "Thus at long last the legislative, executive and judicial branches of the federal government are in agreement that insurance is commerce and the unrealistic fiction established in Paul vs. Virginia is but a historical memory," he wrote.

"The investigation, the indictment and the decision itself all have been criticized and denounced. Some exprobration may have been deserved. But I am confident that benefits will flow to all whose lives, property, or affairs are touched by the great national, or international, institution of insurance from the official recognition that this industry, served by and serving millions, is now entitled to take its true place. By the side of hundreds of other trades and industries, it will go forward in the American way, sharing with them the discipline and the protection of the commerce clause of the United States constitution."

#### Read Bars Association Groups in Oklahoma

OKLAHOMA CITY—Commissioner Read has notified all companies writing group life or group accident and health insurance in Oklahoma that they must cease issuing such insurance to voluntary associations. He also indicates that all group policies heretofore issued to voluntary associations must be cancelled on the next anniversary date.

The commissioner states that there is no law in Oklahoma authorizing issuance of such group insurance to members of any associations who are not employees.

## Argue Insurance Contracts "Local" in Mich. Tax Suit

LANSING, MICH.—Arguments were heard in circuit court here in the suits brought by Prudential and Massachusetts Mutual Life attacking the Michigan premium tax law in the light of the S.E.U.A. decision. Edward P. Wright of Dickinson, Wright, McKean & Cudip, Detroit, represented the companies, and Maurice Moule, assistant attorney general, appeared for the state. Briefs subsequently were filed by both sides. A considerable part of the facts had been stipulated by agreement of opposing counsel.

While the companies' counsel insisted that, in the light of the S.E.U.A. decision, Michigan's tax law, admittedly discriminatory, is per se unconstitutional by creating a burden against interstate commerce, the state maintained that the small rate of taxation, 2% on premiums written in Michigan by non-resident life carriers, constituted a legitimate exercise of the taxing and regulatory powers of the state. The fact that non-resident life companies have made much greater increases in business than Michigan carriers over the past 20 years was cited as proof that the state levy could not be construed as an "undue burden" on the foreign carriers.

#### "No Bearing on Regulatory Laws"

Mr. Moule maintained that the interstate commerce decision had no bearing on state regulatory laws but merely passed on the federal government's right to regulate the actions of groups of insurers under federal anti-trust laws. Insurance contracts, he contended, still are local contracts.

It was noted that, whereas eight life companies were domiciled in Michigan 20 years ago, only two strictly life carriers and one writing a small volume of life in connection with casualty business now remain. They are Michigan Life and Agricultural Life, the latter in conservatorship pending a proposed reorganization, and Federal Life & Casualty, which has only a few thousand dollars of life premiums annually.

#### How Complainants' Business Grew

Tables were presented showing that in the period 1924-43 Prudential increased its business in force in Michigan from approximately \$198 million to \$763 million and its percentage of total Michigan life business from 8.06 to 11.87, while Massachusetts Mutual boosted its Michigan volume from roughly \$64½ million to \$120 million, although dropping slightly from 2.62% of all Michigan business to 1.87%. But Michigan companies during the same period showed a decline in business in force from \$153 million to \$33 million and from 6.22 to .52%.

Frank L. Klingbeil, Detroit, state manager of Prudential, and George E. Lackey, Detroit, general agent of Massachusetts Mutual, appeared as witnesses. Alvin Borchardt of the Michigan department actuarial staff was the only other witness, his testimony being confined to identification and explanation of the statistical exhibits offered by the state.

#### Alliance Life Club Qualifiers

E. G. Atkinson, agency secretary of Alliance Life, announces that E. W. Nuechterlein of Saginaw and L. R. Cardwell of Rockford have qualified for the company's Quarter Million Club. Eli Goldberg of Houston, Tex., is expected to be the next to enter the Quarter Million Club, as he received his \$200,000 Club certificate several weeks ago.

Newest additions to the President's Club include F. L. Noel, Champaign; O. S. Stevens, Rixon, Ill., and T. E. Rogers, Flint, Mich.



## Principles, Not Pennies

The Commonwealth Career Plan is designed to stimulate men to sell ideas—to develop "creative selling"—to take the solicitation of life insurance out of the realm of arithmetical demonstrations and policy peddling. It recognizes that the successful life insurance salesman emphasizes ideas and minimizes technical discussions. It recognizes that he strives always to talk about principles, not pennies.

And that's why the Commonwealth Career Plan has attracted so many capable men who sought enlarged horizons. The famous Commonwealth compensation plans coupled with Commonwealth's agency-minded management policy is winning many friends and new associates.

Insurance in Force, July 31, 1945 — \$256,050,873

**COMMONWEALTH**  
LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

WHERE QUALITY MEN ARE BUILDING QUALITY VOLUME

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## Pink Is Seeking Reasonable Solutions in P. I.

Louis H. Pink, president of Associated Hospital Service of New York, and former insurance superintendent of that state, in correspondence with his associates in this country, gives interesting observations on his work currently as special insurance adviser to the president of the Philippine Islands. These memoranda were not written for purposes of publication but an excerpt from one of his letters has been made public.

Mr. Pink is accompanied by Leonard M. Gardner, former counsel of the New York insurance department. They are working under trying physical conditions in a city that is shattered by rubble and in buildings without telephones or running water. They have already gotten many foreign and domestic insurance companies to resume business. Mr. Pink has advocated to the Philippine congress such legislation as a little RFC and a new debtor-creditor law.

"The obligation of a life insurance company to its policyholders during a war period, when the policyholder cannot pay and the company cannot receive the payment, presents problems of policy and goodwill as well as of law," Mr. Pink wrote.

### Government Service System

"We have been asked what ruling will be made in the Philippines. Any ruling would apply largely to U. S. and foreign companies as the local life companies continued business during the occupation. The government service insurance system is now under examination and will be considered separately. It is a difficult question to answer and the problem must be approached with a spirit of open mindedness and understanding of the problems of both policyholder and company. The situation is involuntary for all and no one is at fault for the failure to carry on. It may well be said that the loss is due to war and like so many other war losses should be met by government. But government cannot meet all losses and survive and the life insurance companies and their policyholders must work out their own solution on a basis of reasonableness and fairness.

"I hesitate to recommend any fixed regulation or law at this time because I am convinced that if we permit each company to deal with its own policyholders and work out each case in a fair manner, policyholders will in the end gain more than if rigid rules are laid down which may not stand the test of law. If we find that companies do not make fair adjustments such as the difficulties of the times call for, we can then recommend a statute to the president and congress of the Philippines.

### Evidence of Good Health

"Under existing law it is probable that obligation on the policy is terminated unless premiums are paid or extended insurance of some kind is in force. It can be revived when the company resumes business in the islands upon payment of premiums due. The companies should not require evidence of good health in the case of small policies under \$5,000 and should be liberal in considering applications from those having larger policies.

"The contracts of the companies differ but unless some other option is elected extended insurance should be granted, based upon a moderate rate of interest. The Sun Life has indicated that it will dispense with any penalties or expense charges and reduce its interest to 4% for any transaction during the occupation and until collection facilities are reestablished.

"It is expected that all life companies will adopt a liberal attitude in reinstatements and in extending protection during the period.

"The most trying problem will be what to do with those who have claims but whose coverage has expired.

"Those who had any loss after their policies ceased to be in good standing suffer most. Many of them would have continued payment if it had been possible. But we have no legal right to materially change the terms of the contract. Our counsel, Mr. Gardner, who has looked into the legal phase is of the opinion that the case of New York Life Insurance Company vs. Statham is controlling. This case went to the U. S. Supreme Court and holds that the insured cannot recover on a policy which has been terminated by failure to pay premiums due to the war. The policy is suspended and can be revived only with the consent of the company, but if the company does not elect to revive the policy it must return the amount of premiums actually paid less proper compensation for carrying the risk while the policy was in force.

### Matter of Degree

"If the life companies doing business in the Philippines had very substantial losses during the occupation period it might not be equitable to other policyholders to compel payment by statute. There is also some question whether such statute placing the burden of the war upon the insurer, would be constitutional. However, knowing the life insurance companies and their desire to deal fairly and not technically with their policyholders, it is my belief that if they find that the deaths during the occupation period were not substantial they will voluntarily adopt the principle laid down in the Treaty of Versailles that where a policy lapsed during the war the insured or his beneficiary could reinstate the policy by the payment of back premiums with interest at 5% and if death occurred the claim would be paid, subject to the deduction of unpaid premiums.

"In view of the circumstances, the equities and the law, it is my opinion that no legislation should be passed at this time.

### Interpret Contract Liberally

"In view of the unusual circumstances, the companies should not place the burden of the war upon policyholders, but should interpret the contract liberally and should make every possible effort to do full justice to the policyholder in reinstatements and payment of losses.

"Extended insurance based on not more than a 4% interest rate should be granted unless some other option has been exercised by the policyholder.

"The insurance department should offer its aid and advice in difficult cases.

"The entire problem should be reviewed when the companies and the department are able, with reasonable certainty, to estimate the number and the amount of occupation claims."

### Tunis Office Seeks U. S. Company Connection

THE NATIONAL UNDERWRITER has received the following communication from M. Bach Tobji & Cie, 4 Rue Ibn Khaldoun, Tunis, Tunisia:

"Dwing (sic) your address to the American consulate in Tunis, we should be very glad to be introduced by your honorable company to some big insurance companies which are desirous to enter in business relationship with our country. We are very well placed in Tunisia to be a representative agency of any serious enterprise of that sort, and should be happy, consequently, to have sent by you any publication or magazine containing names and addresses of interesting enterprises dealing with insurance. It would be better, of course, if you could give our name and address to such houses, so that they could enter in communication with us directly. With our best thanks, please do consider us."



## Balancing the "Insurance Needs" Ledger

When a man compares "insurance protection needed" with his "present insurance coverage" he will do as his good judgment dictates and balance his insurance needs ledger. Very few need high pressure selling to make them see and do their duty. . . . But, from time to time a man needs to talk over his insurance programme with a trained adviser who can give him the best of service and counsel.

Many a man does not realize the inadequacy of his insurance programme until an experienced underwriter puts the facts before him. It is just a practical matter of clarifying the need for insurance, if there is one, and selecting the plan best suited to fill that need.

The Great-West Life keeps its well-trained representatives supplied with up-to-date, attractive contracts to meet the buying needs of today's public.



*The* **GREAT-WEST LIFE**  
**ASSURANCE COMPANY**

HEAD OFFICE—WINNIPEG, CAN.

**Business In Force — Over \$890,000,000**

**LIFE INSURANCE - ACCIDENT & HEALTH - GROUP INSURANCE**

## Detroit Is Dominion Life Star Unit

The Detroit branch of Dominion Life has completed another outstanding production club year, with 11 qualified in the Hilliard club—nine of them in the top category, or gold section.

Of the 11 eight are members of the builders' section—the company's top notch quality business club.

Harry K. Mendelsohn, a member of the Moe Leiter Detroit unit, is the leading producer of the entire company, while Moe Leiter himself is the runner-up and vice-president-at-large, in addition to being president of the builders' section.

### Seven Year Leader

For some years the Detroit organization has been one of the company's fastest growing and effective organizations, leading the entire company for the seventh consecutive year in new premiums and gain in business in force.

T. S. Malone and A. M. Dusty, both



H. K. Mendelsohn

established producers in the agency made outstanding contributions to the club record score.

Mr. Mendelsohn and E. M. Krause of the Moe Leiter unit, along with Mr. Leiter himself led the company in volume of premium income at the close of the Hilliard club year, Mr. Krause finishing in third position in company standing. Other members of the Leiter unit who contributed materially to the outstanding success of the Branch are Harold N. Rosenthal and Ted Isaacs.

T. S. Malone and A. N. Rosati placed eighth and ninth respectively among all company producers.

The R. M. Fargo unit also contributed a substantial volume of business.

Mr. Leiter had a perfect lapse record and earned the highest award offered by the company for persistency in quality business.

Manager of the Detroit organization is Frank W. Simpson.

### Appeal Wis. Distribution Order

MADISON, WIS.—Receivers of Fidelity Assurance of West Virginia have appealed to the Wisconsin supreme court from a Dane county circuit court order instructing the state banking commission to distribute \$2,600,000 on deposit in Wisconsin to secure the claims of Wisconsin contract holders. Receivers asked that \$330,000 of this amount be turned over to them for distribution to contract holders in other states.

## 1944 Alabama Record Is Given

The 1944 life insurance sales record for individual companies in Alabama for 1944 is shown herewith and the insurance in force in Alabama at the end of the year. Unless designated (I) for industrial or (G) for group the figures are for ordinary.

	New Business	In Force
Acacia Mutual .....	749,931	17,649,756
All States Life.....	.....	5,950,696
(I)	.....	1,690,170
Aetna .....	971,013	11,632,680
(G)	4,921,904	19,483,399
Am. Home Mutual.(I)	124,299	372,763
American National...	2,057,270	9,700,316
(I)	3,764,054	16,670,928
American Life, Ala...	847,576	10,639,771
(I)	410	573,250
(G)	8,978,247	5,434,216
Atlanta Life .....	338,839	5,808,949
(I)	2,319,629	14,308,855
Columbian Mutual ...	745,542	3,519,173
Commonwealth .....	1,870,871	13,417,491
(G)	.....	9,000
(I)	1,612,255	13,091,049
Connecticut General...	173,845	1,077,805
(G)	707,427	522,800
Conservative, W. Va.	302,532	2,244,008
Credit Life .....	275,607	137,562
Cuna Mutual .....	.....	.....
(G)	381,566	653,365
Dixie Nat. Life...(I)	4,163,209	1,947,150
Employs Life .....	84,500	85,500
(G)	321,500	321,500
(I)	9,800	9,800
Equitable Society .....	2,833,103	36,096,039
(G)	5,141,147	11,023,814
Expressmens Mut. ...	28,551	543,041
Federal Life & Cas...	8,500	48,000
Fidelity Mutual .....	120,702	3,752,362
Fidelity Union .....	612,627	834,491
Franklin Life .....	1,664,479	5,240,023
General American .....	792,700	6,582,748
(G)	8,283,817	29,994,099
Guardian .....	1,496,499	7,892,910
Gulf Life .....	383,239	845,350
(G)	648,484	3,409,373
Industrial L. & H.(I)	15,689,180	36,511,105
Jefferson Standard ..	1,379,813	16,346,468
John Hancock .....	1,071,083	9,690,785
(G)	1,156,062	2,843,566
(I)	525	180,748
Interstate L. & A...	23,500	182,752
(I)	15,172,594	10,178,046
Kansas City Life...	667,028	4,444,475
Ky. Home Mutual....	1,250,264	9,838,829
Lamar Life .....	980,145	5,309,051
Liberty Natl. ....	5,607,460	22,577,498
(I)	49,782,383	215,049,014
Life & Casualty.....	2,555,275	10,453,315
(I)	7,016,219	23,084,767
Life of Va.....	1,285,567	8,520,666
(G)	1,826,000	1,996,987
(I)	2,661,905	14,410,753
Mass. Mutual .....	2,876,513	26,857,358
Mass. Protective ...	24,503	2,248
Metropolitan .....	5,322,978	68,498,498
(G)	14,021,900	39,732,888
(I)	2,683,813	43,046,114
Morris Plan .....	107,389	106,989
Mutual Ben. ....	439,946	14,477,732
Mutual Life .....	3,023,880	40,964,584
Mut. Sav. Life, Ala.(I)	21,428,843	29,179,271
Natl. Life .....	488,322	3,429,892
Natl. Old Line.....	226,261	270,261
Natl. Life & Acc...	3,350,749	23,465,822
(G)	110,600	614,100
(I)	7,463,893	41,505,538
New England Mutual.	2,468,394	32,090,093
N. Y. Life.....	6,255,685	92,972,193
No. Car. Mut.....	396,600	1,523,089
(I)	1,308,021	2,668,116
Occidental .....	129,212	705,346
(G)	.....	1,370,972
Old Republic Credit...	2,990,607	1,477,212
Pacific Mutual .....	508,605	12,427,517
Pan-American .....	522,861	4,653,692
(G)	.....	99,000
Paul Revere .....	120,068	437,492
Penn. Mutual .....	1,888,396	26,673,343
Phoenix Mutual .....	140,500	2,048,148
Pilgrim Health & Life	399,200	1,042,500
(I)	2,812,948	6,704,243
Protective Life .....	5,589,027	60,282,212
(G)	20,282,935	73,743,232
Provident L. & A...	846,747	2,746,593
(G)	801,050	5,598,500
Provident Mutual .....	594,485	7,600,491
Prudential .....	2,701,432	42,232,669
(G)	9,040,188	30,862,540
(I)	314,380	7,793,683
Reliance .....	3,896,659	24,948,438
Security Life & Trust	15,389	578,955
Shenandoah .....	1,617,505	3,325,478
Southeastern .....	174,513	1,595,234
Standard, Miss. ....	184,580	732,522
(I)	2,526,578	6,339,967
State Farm .....	180,233	671,479
State Life .....	285,652	5,244,185
Sun Life, Can.....	593,076	7,830,690
(G)	851,455	2,254,730
Travelers .....	1,108,268	20,052,920
(G)	1,952,508	4,404,457
Union Central .....	634,825	16,255,631
United Ben. Life....	994,143	3,117,094
Volunteer State .....	519,707	7,627,004
(G)	87,484	37,738
Washington Nat'l .....	39,892	275,945
(G)	12,301	60,117
(I)	256,663	549,768
Total Ordinary.....	80,882,103	783,861,627
Total Group .....	78,875,081	234,051,013
Total Industrial .....	141,760,064	585,574,471
Total All Classes...	301,520,247	1,603,487,111

Sales ideas from top-notchers in the Accident & Health Bulletins. Write the A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, O.

## To Honor Reno on 25th Anniversary with Equitable

The 25th service anniversary of Robert R. Reno, Jr., Chicago manager Equitable Society, will be celebrated at his agency's educational conference at the Edgewater Beach Hotel, Chicago, Aug. 28. Conference speakers include

Dr. David McCahan, dean American College of Life Underwriters; Basil S. Collins, assistant vice-president Old Colony Trust Co., Boston; Thonida A. Sumner, Equitable Society's assured home owner sales supervisor, and Philip B. Hobbs, Chicago manager Equitable Society and secretary of the National Association of Life Underwriters.

Walter L. Gottschall, director of agencies, Chicago, will address the dinner. Mr. Gottschall and Mr. Reno have been associated together 23 of the 25 years Mr. Reno has been with Equitable. Mr. Reno started with the old L. H. Kellogg agency in Chicago in 1920. Later he was made assistant manager and in 1938 was advanced to manager. He is a C. L. U.

## W. W. Klingman Postpones Contemplated Retirement

During the Texas Klingman Retirement Campaign, the San Antonio agency, A. L. Spooner, manager, led the Texas agencies with a production of \$2,217,233, June 1-Aug. 1. W. R. Reed, Victoria, a former typewriter salesman who signed his contract with Equitable March 15, produced more than \$100,000 of business.

The campaign was planned as a testimonial to W. W. Klingman, Texas manager of Equitable Society, and former home office agency executive, in view of his contemplated retirement, which was scheduled for August.

However, Mr. Klingman has deferred his retirement for a time in order to lend his aid in connection with changed conditions arising out of the anticipated termination of the war earlier than had been expected when the August retirement date was set.

### Appeals Disability Decision

WASHINGTON—The U. S. Supreme Court has been asked to review decision of the fifth circuit court reversing judgment of the western Louisiana district court in favor of Joseph A. Landry in his suit against Mutual Life for accrued disability benefits and refund of premiums paid during disability, under a policy containing a total and permanent disability clause.

The court is told petitioner became totally disabled in 1938, but due to lack of realization concerning the disability clause entitling him to monthly benefits, he did not file proof of claim until 1943. He had paid all premiums due and had become 60 years of age in 1942. The company denied liability because of such failure to file proof before attaining 60.

The district court denied a company motion to dismiss and after trying the case on its merits, during which the company did not contest petitioner's disability, judgment was granted in favor of Landry for accrued benefits and refund of premiums. Both parties appealed on different grounds, but Landry abandoned his appeal for application of statutory penalties.

The circuit court majority held the policy required filing proof before the insured became 60. The district court had held it was "clear and unambiguous" that Landry was not required to file before 60.

### Two New Institute Members

Connecticut Mutual Life and Mutual Life have been elected to membership in the Institute of Life Insurance.

**COLUMBUS MUTUAL'S** outstanding record for high renewal percentage, better than average dividend payment, low declination rate, exceptional rate of interest earned, rate of surplus increase, and consistent increase in insurance in force are all factors that reflect a good company with which to be associated.

And, these qualities coupled with outstanding sales plans enable Columbus Mutual salesmen to regularly build up exceptional earning records.

D. E. Ball, President  
**The Columbus Mutual Life Ins. Co.**  
 Columbus 16, Ohio



## Civilian Mortality Improves, War Deaths High

Civilian mortality was 7.8 per 1,000 or 5.4% below 1944 during the first six months of 1945, according to an analysis of Metropolitan Life industrial policyholders. This is the best second health record, exceeded only by 1942. In the first 27 weeks of 1945 there were 1.4% less deaths than a year ago in 90 large cities.

Deaths from enemy action increased from 68.3 per 100,000 in 1944 to 129.2 per 100,000 for the first six months. Deaths from all causes, including war, increased 25.3% for males and declined 6.7 for females in the first six months. An analysis by age groups shows declines below 14 and over 45 with increases of 130.3% from 15-19, 144.6% from 20-24, 133.7% from 25-34 and 9.2% from 35-44.

The favorable civilian record extended to most causes. Although several of the heart classifications showed improvement, diseases of the coronary arteries and angina pectoris continued their upward trend.

## Pennell Subject of Magazine Sketch

The success story of Frank W. Pennell, who has made a million dollars selling life insurance, is told in the September issue of "True," a Fawcett publication.

While studying law at the University of Michigan, Mr. Pennell became managing editor of the university's newspaper. He became interested in journalism and left Michigan after the fifth

year as well, it is pointed out. "However, for the present they must be used wisely and with restraint in view of the great inflationary pressures. Any rush of spending until volume production of peacetime goods is attained would only accentuate current shortages and increase the danger of a runaway rise in the price level."

## U.O.P.W.A. Gets Out Monthly Insurance Publication

"Insurance Career" is the title of a monthly publication the first issue of which has just appeared. It is published by United Office & Professional Workers of America, the editor being Leon W. Berney and assistant editor, Selma Arnold. Mr. Berney is vice-president of UOPWA and director of the insurance division.

It consists of 16 pages and cover. It includes considerable union gospel, gives examples of how the union has inter-

caded in behalf of agents, there is a symposium on postwar prospects for insurance. Much of the material does not pertain strictly to insurance but is rather along the general party line of the union. There is an appeal for funds. There is a feature "The Agent of the Month" and "The District of the Month". Chosen as agent was Gene Paltrineri, John Hancock, Newton, Mass.

Cmdr. Charles J. Zimmerman, former president of the National Association of Life Underwriters, who is deputy coordinator for war bonds with the Navy Department in Washington, is temporarily on duty with the Pacific Fleet's supply force. He entered the navy in July, 1942. He established the Pacific Fleet war bond program. He also has traveled throughout the Caribbean area, South America, Africa and Europe setting up the navy's war bond program. He was general agent for Connecticut Mutual Life at Chicago.



FRANK W. PENNELL

year to become a reporter for the Bradford, Pa., area. After several positions with insurance trade papers, including editorial positions with THE NATIONAL UNDERWRITER at Chicago and New York, he decided, in 1919, to try his hand at selling insurance.

In his first year Mr. Pennell insured 142 persons for a total of \$502,000. For 9½ years he was general agent in New York for State Mutual Life with 20 young men working under his direction. He has personally written more than \$20 million of life insurance during his 26 years as an agent, and altogether is responsible for the issuance of \$46 million.

Mr. Pennell attributes his success to his gift for listening, and the extensive investigation he makes of each prospect before even meeting him. He is scrupulous about keeping confidences, sincerely believes in the importance of life insurance, never tries to make customers of his relatives, friends or neighbors, and abhors high-pressure tactics.

Mr. Pennell suggests to young people who want to learn how to sell life insurance that they save enough money to live on for a year. This will eliminate the necessity of an immediate sale and protect them from quick discouragement. Also that they be prepared to study all their lives.

That they genuinely and sincerely like people, be capable of self-discipline; remember that service performed is more important and profitable in the end, than immediate commissions; learn how to search out clients; set goals that seem impossible to achieve; don't neglect the building of prestige, especially in the home town.

### Savings Total \$250 Billion

Individuals and business (exclusive of banks and insurance companies) have accumulated nearly \$250 billions during the war, according to the Life Companies in America. By the end of 1944 savings totalled \$233 billions compared to \$100 billion, a gain of more than 150%.

Such resources would seem to offer far-reaching possibilities for American economy after the war both in helping to create the markets for commodities, goods and services necessary for peacetime prosperity and in providing a source of capital needs for industry and busi-

## ... BUT WHAT ABOUT LIFE INSURANCE?

Many amazing devices have been promised for the post war era that will make life easier and simpler. Whether or not they all come true, there will still be mortgages to pay, children to educate, families to support, and some people just practical enough to want a sure safe way to accumulate money on which to retire.

Up to now we have heard of no electronic canvasser, remote control sales kit or push button bank account for those who suddenly find themselves in need of money.

Life Insurance in the post war era will be doing just what it is today. Perhaps there will be refinements, but it will be the life insurance representative, meeting individuals face to face, presenting his method of establishing financial security that will continue to make life happier and richer for millions of Americans.

In the post war era, just as today, Great Southern representatives will be prepared to fulfill the life insurance needs of the people of the Southwest.

## GREAT SOUTHERN LIFE INSURANCE COMPANY

L. S. ADAMS, PRESIDENT

HOME OFFICE

HOUSTON, TEXAS



**LIFE INSURANCE KNOWS NO NATIONAL BOUNDARIES. HERE ARE INTERESTING LINES FROM PARIS.**

"THE LIFE INSURANCE BUSINESS has been flourishing these past four years. Those who have made money have been heavy purchasers, and in some instances have paid the twenty or thirty years premiums in one go.

"MANY PRISONERS OF WAR instructed their wives or brothers to carry on, and they did a remarkably good job. During the occupation, the companies looking forward to the coming of peace recruited and trained quite a number of new agents.

"THERE IS STILL MUCH to be done, especially with the returned prisoners of war who are anxious to get into life insurance work. As a result of the great migrations, there are many newcomers in Paris, men who have ability but do not know where to turn to make a living. Although the companies are moving cautiously in approaching this group, they do look forward to securing at least a few good men."

THE MORE WE EXAMINE LIFE INSURANCE IN COUNTRIES THE WORLD OVER, THE MORE WE ARE AMAZED, NOT AT THE FEW POINTS OF DIFFERENCE, BUT RATHER AT THE MANY POINTS OF SIMILARITY.



PAUL SPEICHER  
Managing Editor

**THE INSURANCE RESEARCH & REVIEW SERVICE**  
INDIANAPOLIS

## Find High Degree of Job Satisfaction

New York Life has indicated to its people the results of the job satisfaction survey which was conducted among agents of that company earlier this year by the Sales Research Bureau. The questionnaire which was completed by 2,302 full time agents consisted of 43 questions, each asking the agent how he felt about a specific aspect of his job. Each question was answered by a number from 1 to 5 ranging from "extremely dissatisfied" to "extremely satisfied."

Seventy-nine percent of the votes on all of the 43 questions were on the satisfied side. Only 4% indicated they were dissatisfied and only 2% indicated they were extremely dissatisfied. There were 15% with "balanced feelings." Agents attributed their satisfaction to the company's general reputation and public standing, the institution of life insurance, opportunities for performing useful service and for having interesting experience, branch office personnel and the company's retirement plan.

Prospecting and detailed office work were placed at the bottom of the list. Keeping records contributed the least to job satisfaction. The small producer in-

dicated as much job satisfaction as the large one. Agents under age 40 were as satisfied as those over 40. Agents less than two years in the business expressed more satisfaction with their induction training than veteran agents.

Freedom of action was rated the most important thing associated with job satisfaction. Opportunities for serving others stood second, unlimited earnings and variety of work fourth.

### Many Want More Training

Seventy-eight percent expressed the desire for further training. Fifty-two percent asked for a closer direction of their activities. Eighty-seven percent felt that they are making as much or more money in life insurance than they could make in some other line. Only 7% felt that they could find more satisfaction in some other occupation.

Among the most frequently made suggestions were: Give us more training and supervision, keep in closer touch with us, have more agency meetings, train us more in the technical aspects of our work, advertise more, furnish more sales tools, be less conservative in underwriting, speed up issuance of policies.

Leaders in the field use the **Policy Analysis Service**. Write the Accident & Health Bulletins, 420 E. 4th St., Cincinnati 2, O.

## Don Ross Urges Agents to Set Sights High in Appraising Farm Market

Don Ross, merchandising manager of "Successful Farming" magazine, who has written extensively on insurance for the farmer and who has addressed numerous insurance groups is the author of an article in the current edition of his paper "With Every Passing Day, the Farm Market Looks Better."

The biggest error being made in sizing up the farm market, he writes, is that of assuming all farmers are buyers of only small policies. As a matter of fact, the diversified livestock farmer is a capitalist with anywhere from \$10,000 to \$100,000 invested in his business. The modern business farmer has money and he has need for life insurance. As a rule the business farmer is friendly and likes to visit when he has time. In approaching such a prospect he should be asked how much he can save a year rather than proposing that he purchase a small policy.

Mr. Ross advises the agent to dress well and look prosperous. Farmers look upon the insurance man and the banker as investment counsellors and they expect them to look the part. Also Mr. Ross advises the agent to ask questions.

The farmer likes to talk about his business and is proud of his accomplishments.

He recommends that the agent canvass consistently and make a fair number of appointments for evenings or days ahead. He recommends that the agent state his business forthwith. The interview doesn't get off to a good start until the two parties quit sparring and get down to the matter at hand. State your business promptly, is good advice, he said. A friendly greeting followed by a few cordial remarks should be fine but the agent is on such important business that he can't afford to waste time.

Also Mr. Ross advises the agent to arrange to meet the farmer's family. The wife is the farmer's partner and the agent needs her support. Also the wife and children are prospects. He advises talking in terms of monthly installments when it comes to proceeds rather than speaking of lump sums.

In the middlewest farms are close together. The days of mud roads are gone. Most progressive farmers live on all-weather roads. The distance driven between farm homes is no farther than that between urban calls.

## Social Security Benefits Now \$23 Million a Month

WASHINGTON—There are now 1,285,000 persons receiving \$23,600,000 a month under social security old age and survivors insurance, A. J. Altmeyer, Social Security Board chairman, reports. Of the total 40% are retired workers age 65 or over numbering 519,000 and receiving \$12,350,000 monthly. Wives, 65 or over, of retired workers account for 12% of the total and receive \$1,940,000 a month. Widows with young children represent 11%, 145,000 receiving \$2,870,000 a month. Children of deceased or retired workers account for 29%, 378,000 receiving \$4,690,000 a month. Widows over 65 of deceased workers total 83,000 or 7% and receive \$1,670,000 a month. Aged dependent parents of deceased workers who left no widow or child account for only 1% of the total, with 6,000 receiving \$80,000 a month. About 65% of the monthly beneficiaries are women and children.

A considerable increase in the number of beneficiaries is expected with the conclusion of the war as more than 750,000 eligible men and women above age 65 are fully insured and have not claimed benefits. Approximately a million more above 65 are rapidly gaining insurance status and the majority are expected to qualify for benefits if they continue covered employment for a few more quarter-years. About 900,000 men over 65 still at work have wives not in the labor force but may qualify for benefits on their husband's accounts.

### About 40 Million Insured

More than 72 million persons, or approximately two-thirds of the total population above age 14, have earned some credit toward social security benefits, about 40 million being insured so that in the event of their death the retirement monthly or lump sum benefits will be payable.

On June 30 the Old Age and Survivors Insurance Trust Funds stood at \$6,613,380,619. However, Mr. Altmeyer points out the board of trustees has estimated that the level premium cost of the old age and survivors insurance system is between 4% and 7% of the covered payable and only 2% is being collected. "The taxes must be increased if the system is to be self sustaining or the fund must be aug-

mented eventually by appropriations from general taxation," he asserts. The principal deficiency of the program is that approximately 20 million people who earn their living are denied old age and survivors insurance protection.

### Rapid Increase Shown

The number of persons and the total amount of monthly benefits has increased rapidly since 1940 when there were 245,242 receiving benefits of \$4,535,115 a month. In 1941 there were 483,579 receiving \$8,785,838 a month. In 1942 this had grown to 691,617 for a total of \$12,574,323. In 1944 the total passed the million mark, being 1,116,000 totaling \$20,445,000 a month. At the present time there are 1,285,000 receiving a total of \$23,699,000 a month.

Mr. Altmeyer renewed his recommendation that the basic program be extended to cover sickness and extended disability and cost of medical care.

### Lincoln National C.L.U. Body

Lincoln National Life Chartered Life Underwriters Association has been organized with John H. Geer of Akron, O., as president and Zura Zeigler Brown, Fort Wayne, as secretary. The executive committee consists of Howard C. Lawrence, Newark; C. V. Duc, Los Angeles; William J. Erbe, Houston, and J. P. Whiffen, Madison, Wis.

## Insurance Exchange People Create Good Sized Town

The Insurance Exchange of Chicago houses more insurance men and offices than any other structure in the world. At the present time the building management states that there are 12,000 people in the building. There are perhaps 11,000 insurance people. The rest is made up of army men and employees of the General Electric company which has recently entered the building. This makes a town in itself. The tenants are served by various merchants selling a variety of goods, eating places, service people and so on. It is thought that there are about 300 separate agencies, companies, associations and other independent units in the building. In some cases there may be a one-man office. If military service is made compulsory, the army will undoubtedly keep its space.



## THE PRICELESS INGREDIENT

When Occidental Life completed its stewardship of the Register Life on June 30, 1945, it reported these results:

*All death claims, totalling more than \$1,500,000, paid in full.*

*All maturing endowments paid in full to policyholders who continued their insurance.*

*Required interest earned both on policy reserves and the lien.*

*A lien which originally exceeded \$1,600,000 completely removed and all policies restored to full value.*

To achieve this happy conclusion, Occidental introduced only one new element into the Register Life picture. That was management—the same management which built Occidental to a company with more than a billion of life insurance in force.

**Occidental Life Insurance Company**  
of California

V. H. JENKINS - VICE PRESIDENT

"We pay lifetime renewals — they last as long as you do"





## Women, Children Good Prospects Now

A good many life sales are being made to women and children. New agents find these two fields excellent for starting, and many seasoned salesmen have discovered them to their advantage. Judiciously handled both kinds of sales will lead to other prospects and other policies.

Young women who have been working only a year or two seem to be particularly good prospects. It is a matter of starting them with their first insurance, but they have the money to save, can make up their own minds, and will buy. One agency successful in placing a great deal of such business reports 50% of it consists of policies of \$2,000, the other half being \$1,500 and \$1,000 contracts.

### 20-Pay Life with Rider

The most successful contract is the 20-pay life with endowment rider, presented as an excellent means of saving. The options and cash values, it is explained, permit a number of uses of the insurance later in life. If payments have to be discontinued, it buys a certain amount of paid up insurance. The policy has cash values for emergency use. It can be paid up and left for retirement or use of husband, if she gets married, in his business should a crisis arise at 55 or 60, as it often does. It can be used to educate the children, if she gets married, or to take a real vacation later in life.

A strong argument is that it will be something valuable to bring into the family when she gets married. A man is impressed by a woman who has paid several years on a life insurance policy. It shows she appreciates her economic responsibilities. They will need some plan of systematic savings after they are married, and this is it. Bringing in the idea of marriage and what benefits the policy will have in that connection makes a strong appeal.

### Parents Should Be Present

The interview should be conducted in the evening when the parents are present. They may feel a good deal of responsibility for the young lady. If they make objections these more than likely will strengthen the young lady's determination to buy the policy. It is believed that much of this business will continue in force.

Agents are finding that parents and some grandparents are buying surprisingly large amounts of insurance on children, many policies running \$10,000 or more. This is particularly true of youngsters over 10 and up to 20. One agent has a client who now carries \$60,000 on his son. Economic conditions and high taxes help swell the amount purchased, but the arguments in favor of buying juvenile coverage that have proved successful in the past still hold good and undoubtedly are having a cumulative effect. Such contracts can be used as gift distribution now or can be accumulated and transferred as a gift later. The parents often want to retain control until adulthood.

### Discuss Future Opportunities

DALLAS — Opportunities following V-J Day were discussed before the Life Managers Club of Dallas in a panel program "Sales Ideas That Click," staged by Guy L. Goldstandt, Equitable Society; J. Max Spangler, Kansas City Life; Dennis Colwell, General American Life; and Stanley E. Martin, State Mutual Life.

### Salomon Aid to Hannegan

Maj. Sidney Salomon, Jr., former associate agency manager of Equitable Society in St. Louis, has been appointed executive assistant to Postmaster General Hannegan. He was placed on the army's inactive list recently after about three years of service. Before entering service he was one of the outstanding personal producers of life insurance in the St. Louis area and a member of the Million Dollar Round Table.

## OBSERVATIONS

### Shall Salaries Be Paid?

Will the movement to employ beginners in life insurance soliciting on a salary basis grow into something worthwhile? That is a question that is being discussed up and down the line. The familiar way is to get a likely man, bring him into an office, put him through a course of training and then send him out probably after some trial trips while he was in the schooling process.

He is expected to be his own boss. He must know where to go, whom to see, what to do, what time he shall give and so on. Those who feel that this is the wrong method and that beginners should be compensated on a salary basis take the position that probably not five out of 100 could qualify for being their own boss and run their own business. They have to be told how to budget their time and what to do, when to start work, how long to take for lunch, when to quit and so on. They must have certain places to go, certain people to see. There will come a time probably when most of these men will desire to get on the commission basis

but that should be after they have had considerable experience. Life insurance has been built up by salesmen employed on a commission basis.

The subject becomes more pertinent because of servicemen returning home. Many of the industries and various enterprises will make a strong bid for the most likely ones. They will be employed on a salaried basis. Life insurance will compete on a commission basis. Which will win?

A number of general agencies are experimenting with part salary and part commission. The main objective after all is to get men into production, have them earning money and satisfied with the returns they get.

### A President's View

At least one life insurance president has notified the general agents that he is firmly convinced that in order to be successful an agent must have enough money in his pockets to make him feel independent. He cannot go out with any degree of enthusiasm when he does

not know how he is going to pay his obligations. Hence this president has notified general agents that a profitable organization means agents realizing a profit on their work.

One of the big problems he observes for a general agent is to see to it that his people are making sufficient money to be contented and live comfortably. They cannot do a day's work that is satisfactory when they are forced continually to be worrying over their finances.

This president goes so far as to say that if an agent can bolster up his income by selling other lines of insurance than life he would be glad to see him do it because if he is making money by selling other lines of insurance he will go after life insurance with greater alacrity.

Therefore he is not subscribing to the doctrine that a life agent should stick entirely to life insurance and even turn other lines down. This president says that there are opportunities for selling accident and health, automobile and different property protection lines and therefore if an agent is able to bolster up his income through these side issues the president is perfectly willing to have him do so. The main thing in the president's mind is

(CONTINUED ON LAST PAGE)

## QUIZ -

**Q- WHAT COMPANY AUTOMATICALLY INCLUDES THE WAIVER OF PREMIUM BENEFIT IN LIFE CONTRACTS ISSUED AT STANDARD RATES UNDER AGE 60?**

**WHAT COMPANY GIVES WOMEN THIS SAME PROTECTION AGAINST TOTAL AND PERMANENT DISABILITY AT THE SAME RATES CHARGED FOR MEN?**

**A- ALL PRUDENTIAL AGENTS AND BROKERS KNOW THE ANSWER!**

**THE PRUDENTIAL**

A MUTUAL LIFE INSURANCE COMPANY



**INSURANCE COMPANY  
OF AMERICA**

HOME OFFICE . . . NEWARK, N. J.

## EDITORIAL COMMENT

### Mr. Elmore Counts Our Blessings

The story that Frank H. Elmore tells about the decision to prosecute the fire insurance companies, and about the preparation of the S. E. U. A. case, from the Department of Justice standpoint, contains several interesting revelations of an inside, background nature involving matters of strategy within the department and the confession, after the victory is won, of where the government was vulnerable. However, Mr. Elmore, who is no longer connected with the Department of Justice, like his former chief, Mr. Biddle, in expounding the righteousness of the Department of Justice cause, completely ignores the profound agitation and revolutionary problems that are forced upon the insurance industry and the states by the S. E. U. A. decision. He closes with the exalted claim that the S. E. U. A. decision constitutes official recognition that the insurance industry is now entitled to take its true place. He predicts that it will go forward in the American way, sharing with hundreds of other trades and industries the discipline and the protection of the commerce clause of the United States Constitution.

The implication seems to be that insurance has been deprived of federal blessings in the past and has been stultified thereby. That had not occurred to us.

Mr. Elmore's interesting account prompts us to observe again that the Department of Justice plunged into this case with very little, if any consideration as to the practical consequences that would come from a government victory. Indeed Mr. Elmore states that Biddle

at first looked upon it as merely a routine Sherman act prosecution.

Mr. Elmore's interesting account stew in which the insurance business, the states and the federal government, for that matter, find themselves as the result of the decision. He has no advice to give on how any of the intricate and baffling problems may be solved. He does undertake at some length in his article to justify the Department of Justice action. He claims that the department had been receiving many complaints about the fire insurance trust and then along came Attorney General McKittrick of Missouri and Mr. Elmore goes into much detail of the Missouri rate scandal, making it clear that this was really the spark that was at the bottom of the S. E. U. A. case. In other words, it was an opportunistic action on the part of the Department of Justice.

Mr. Elmore asserts that the Department of Justice had no ulterior motives. It was not seeking to bring about a situation favorable to federal regulation of insurance. That we think is correct. The department thought it had a hot case. It was a challenge to crack the insurance business which had never been cracked before. The department was on an anti-trust crusade of exceptional magnitude and was eager to accumulate as many turks-heads for victory as possible.

Mr. Elmore tells an absorbing story of a legal victory, but one looks in vain for any hint from him as to how any of the multitudinous problems emanating from that victory can be solved. He simply ends on the airy note that insurance can now take its true place.

### Insurance and Home Folks

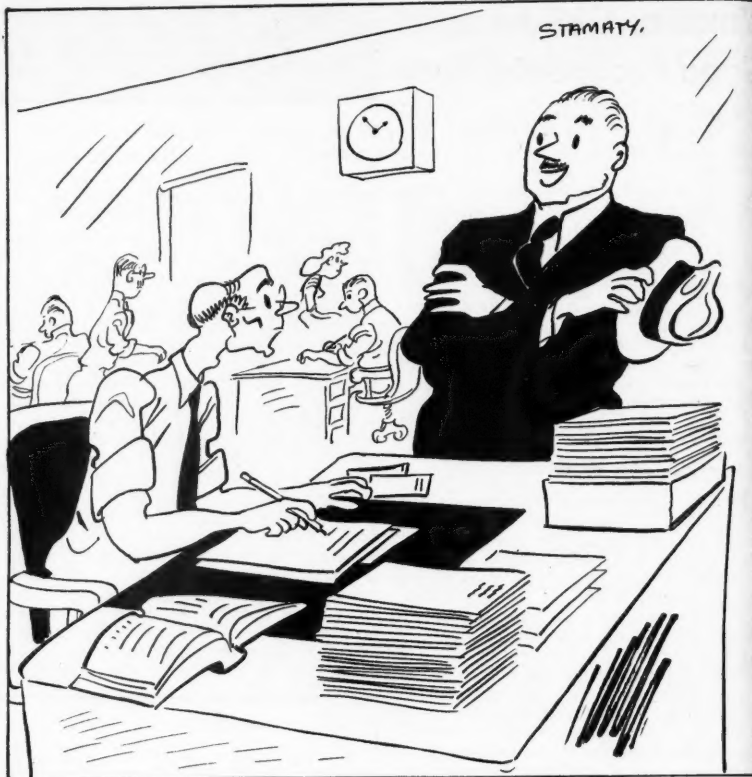
When N. P. Parkinson, insurance director of Illinois, spoke before the insurance members of the Union League Club of Chicago in connection with the new and perplexing problems that confront not only the industry itself but the departments, he brought insurance to the fireside. When commenting on the changes that have to be made, he drew a comparison between the situation that would prevail if insurance were supervised from Washington and that which now exists. He said the state insurance commission is easy to reach. He knows the situation and conditions in his own commonwealth. The policyholders and others who seek information can easily get to him.

Mr. Parkinson said that if there were federal supervision it would not be pos-

sible to have a luncheon meeting of the character that he was addressing. He said the commissioner from Washington would not feel it necessary to make trips out through the nation and come in contact with insurance groups.

It was, therefore, brought very forcefully to the minds of those who listened to him that insurance after all is peculiarly a home and domestic business for the most part. It has to do with forms of protection that people purchase for personal use or business demands in which one is interested. So let's keep insurance and its supervision at home.

In all things, success depends upon previous preparation. Without such previous preparation there will be failure.—Proverb of 500 B. C.



"YES—I'M RETIRED, HERMAN, AND I DID IT ON THE SAME POLICY I TRIED TO SELL TO YOU FORTY YEARS AGO."

## PERSONAL SIDE OF THE BUSINESS

**Russell I. Dyer** of Glenwood, Minn., a new Bankers Life of Des Moines agent, has been elected post commander of the local chapter of American Legion World War II.

**J. T. Stephany**, district agent of Northwestern Mutual at Port Washington, Wis., who won the company's district agents cup for outstanding performance the past agents' year, was honored at a dinner there by M. A. Carroll, general agent at Oshkosh, Wis. Associates in the agency were guests and the cup was presented by Grant L. Hill, director of agencies.

**Cecil Woods**, president of Volunteer State Life, as vice-president of the Chattanooga Chamber of Commerce, presided at the awarding of the congressional medal of honor to T/Sgt. Charles H. Coolidge of Chattanooga.

**Harry Yudkoff** of Detroit, a salesman of Bankers Life of Des Moines, has been installed as president of District Grand Lodge Number 6 of B'Nai Brith.

**W. E. Bixby**, president of Kansas City Life, has returned from a vacation spent at his ranch at Caryhurst, Wyo.

Minnesota Mutual Life has published a brochure on **Sam R. Weems** of McAllen, Tex., who is dean of the company's field force, on the occasion of his 25th Minnesota Mutual anniversary.

He was born at Griffin, Ga., and after successfully engaging in the wholesale grocery and furniture manufacturing business at Atlanta and later in Missis-

sippi he went to Dallas to engage in the insurance business. In a few years he became Texas A. & H. state agent for Provident Life & Accident. In 1920 he became state agent for Minnesota Mutual and two years later sold his accident department to employees and his fire and casualty department to another employee. He qualified as one of the nine organizers of the Million Dollar Round Table and he is a life member of that organization. His largest personal year was \$1,944,000. He developed many large payroll deduction plans.

In 1935 Mr. Weems decided to retire and moved to Weslaco, Tex., and for about two years enjoyed leisure, but then he recovered his health and started again in life insurance production.

**Herman Wilharm** has returned to his duties with Ohio State Life after having undergone an operation in Grant Hospital in Columbus.

**Albert Hirst** of New York City, counsel of the New York State Life Underwriters Association, was deluged with 'phone calls Monday from friends and acquaintances who were under the impression that he had died. A death notice in the New York "Times" told of the sudden death of "Albert Hirst." Unless readers were familiar with Counsel Hirst's residence address, or knew the relatives listed in the notice were not his, they could easily jump to an erroneous conclusion.

**Dwight Mead**, Seattle accident and

## THE NATIONAL UNDERWRITER

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health general agent of Pacific Mutual Life, was honored at a luncheon in observance of his 40th anniversary in the business, 35 years of which have been with Pacific Mutual. Walter Hoeflin, Seattle general agent of Pacific Mutual, presented Mr. Mead with a diamond 35th anniversary service pin. Mr. Mead always has been an exceptional producer in the accident and health field and is leading Pacific Mutual in accident and health premiums for the year. Mr. Mead is a past president of the National Association of Accident & Health Underwriters and has been active in both the life and accident associations.

Allen May, president of Mutual Savings Life, has been appointed chairman of the speakers' bureau for the Greater St. Louis war chest campaign to be held in October. Last year Mr. May served as a member of the speakers' bureau and as chairman of the insurance unit of the employe division in the campaign. He will again head the insurance unit in the 1946 drive.

## DEATHS

### Wis. Veteran in Life Insurance Field Dies

C. L. Miller, 64, who had been in life insurance work since 1912 in Madison, Wis., died at his home there. He was for a number of years supervisor of the A. C. Larson agency of Central Life



C. L. MILLER

of Iowa. In 1918 he became vice-president and superintendent in charge of agencies of National Guardian Life and in 1941 was named manager of the home office agency of National Mutual Benefit. More recently he was with the R. M. Vetter agency of Continental Assurance in Madison. He was a Spanish-American war veteran, and in 1938 was candidate for the Republican nomination for governor of Wisconsin.

Johns L. Zwart, 69, formerly cashier of Bankers Life of Des Moines, who retired on pension in 1942, died in Des Moines. Mr. Zwart joined Bankers Life in 1898.

Flying Officer John Henry Vanular, who in civilian life was head of the underwriting department of Industrial Life of Quebec, died when the plane, of which he was a crew member, crashed shortly after a takeoff at Eindhoven, Holland. He went with Industrial Life in 1937 and joined the Canadian air force in 1942. He was an associate of Actuarial Society of America and American Institute of Actuaries.

Mrs. Mildred Garland Murrell, mother of Lt.-Col. Weymouth L. Murrell of Los Angeles and Com. Thomas G. Murrell of San Francisco, died at her home in Richmond, Va. The Murrell brothers are general agents at Los Angeles and San Francisco of Mutual Benefit Life.

After visiting their mother a few days before her death, they went to the home office of that company for a conference.

Donald A. Nash of Fidelity Mutual Life in Chicago died at his home from a heart attack. He had been prominent in the Chicago Association of Life Underwriters and was scheduled to become chairman of the committee on agents' compensation under the new administration.

Edward C. Mansfield, 79, for 30 years secretary-treasurer of Boston Mutual Life, a director and member of the finance committee, died at the Deaconess hospital in Boston. He was active in politics, serving for some years as executive secretary of the Republican state committee, and from 1908 to 1914 was postmaster in Boston.

## COMPANIES

### Mutual Life Reports Plus Signs at Mid-Year

Gains in new business and in the volume of insurance in force, and a further reduction in lapses and surrenders are reported by Mutual Life in its statement for the first six months.

The mortality ratio was slightly better than in the first half of 1944, although war deaths registered an increase. War death claims represented 7.6% of total death claims in the first half of the year. From the date of Pearl Harbor through June 30, 1945, the war death claims were only 3.9% of total death benefits in the same period.

Since the start of the war, 2,381 war death claims for \$6,584,968 have been paid. In addition, there are pending claims for \$388,333 on the lives of 163 who have been reported missing in action. The experience indicates that a large percentage of those reported missing are finally found to be alive.

New life insurance sold in the first half of 1945 totaled \$99,690,724, an increase of \$7,884,182, or 9% over the total reported in the first half of 1944. The average size policy was \$3,760, or 8% larger than in the first half of 1944.

Insurance in force on the lives of nearly 1 million policyholders stood at \$3,748,801,561, an increase of \$69,293,562 over the figure on June 30, 1944. Surrenders, lapses and expiries for the first half of 1945 were 21.5% fewer in number, and 16.1% less in amount, than in the 1st half of last year.

Benefits to policyholders and beneficiaries including dividends in the first half of this year amounted to \$53,048,746, or \$2,613,396 less than in the first half of 1944, due in most part to the reduction in death claims and surrenders.

Investments in government securities totaled \$870,198,987, an increase of \$62,133,206 over the same date a year ago. Government holdings now account for 49.5% of assets.

Assets are \$1,757,867,674, an increase of \$40,228,886 since the beginning of the year and an increase of \$74,672,896 over the total on the same date of 1944.

### Aetna Assets Are \$58 Million Higher

Aetna Life in its midyear report shows assets of \$1,098,197,250—an increase of some \$58 million, capital is \$15 million and net surplus \$42,105,213. The contingency reserve is \$53,200,000.

Income during the first six months was \$132,090,988 and disbursements \$77,824,930. Insurance in force was \$6,211,403,000.

### Conn. General Figures

Connecticut General Life announces that death claims amounting \$7,830,853

were paid the first five months. For accidents and sickness the outgo was \$4,621,618. Matured endowments annuity payments amounted to \$5,780,491; total and permanent disability \$580,152. The total amounts to \$18,813,116.

### Country Life Nearing \$250 Million in Force

Country Life of Chicago expects to have \$250 million of insurance in force Dec. 31. It has now \$239,000,000. It has fixed \$28 million for this year's production. The company does business only in

Illinois and almost all its activities are confined to rural sections. D. C. Mieher, manager, is now conducting a campaign to last until the end of the year so that there will be no doubt as to the amount in force at the close of the year.

Jules Nassberg, Connecticut General, New York, has received his notification that he is a qualified member of the 1945 Million Dollar Round Table.

A thousand pages of accident and health policy information in the 1945 Time Saver. \$4 from The National Underwriter.

## THE NEW INSURANCE MONEY MAKER

issued by the  
ILLINOIS BANKERS LIFE ASSURANCE  
COMPANY

## THE INCOME BUILDER

1. We have a NEW PLAN to enable you to make more money in these times.
2. ONE-TENTH THE SALES, through large first commissions and large renewal commissions will return you TEN TIMES the earnings of the same volume of life insurance alone under our plan.
3. IN ONE YEAR, you build as large a renewal income as you would in ten years writing the life insurance alone under our plan.
4. This Insurance Pays All Ways:

If you live too long.  
If you do not live long enough.  
If you are disabled.  
If you have an emergency need for cash.  
ALL AT EXCEEDINGLY LOW COST.

HUGH D. HART  
Vice President and Director of Agencies

## Illinois Bankers Life Assurance Company

MONMOUTH, ILLINOIS

## 1907. Thirty - Eighth Year 1945 Mortgage Cancellation — Bank Loan Plans

Write Agency Department  
For Complete Details

### MISSOURI INSURANCE COMPANY

"An Old Line Legal Reserve Life Insurance Company With  
\$16,000,000 Insurance in Force"

J. C. West  
President

Home Office  
St. Louis, Mo.

Established  
1907



**Almost one-third  
of our Agency Force  
—Actually 30%—are  
members of the App-  
a-week Club.**

*Careful selection; practical  
training, with attractive  
helpful Sales Aids are a  
contributing factor.*

*The notable friendly  
cooperation of the home  
office assures success.*

*Over One-Quarter Billion Insurance in Force*

**THE OHIO NATIONAL  
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO



# THE MANUFACTURERS LIFE

## COMPLETE BROKERAGE FACILITIES

All Life, Endowment and Annuity Plans.  
Favorable Par. and Non-par. rates.  
Standard and Sub-standard risks.  
Facilities for handling large cases.  
Civilian Foreign Travel Coverage.  
Annuities — Single Premiums up to \$100,000.  
Prompt and Efficient Service.

INSURANCE IN FORCE, 790 MILLION DOLLARS

(Including Deferred Annuities)

ASSETS, 264 MILLION DOLLARS

## COMPANY MEN

### Advance 5 Mutual Benefit Officers

Mutual Benefit Life has appointed three new officers and promoted two to newly created posts. Four of the men are in the mathematical department: James R. Trimble and Harry W. Jones have been promoted to associate mathematicians, and Charles W. Melchinger and William F. Ward have been appointed assistant mathematicians. Raymond Davison of the tax department has been made an assistant secretary.

Mr. Trimble, who has been an assistant mathematician since 1930, became permanently associated with Mutual Benefit in 1925, following several years as teacher of mathematics in high school and college. He has an A.B. degree from Acadia College and from Harvard and was granted his M.A. by University of Cincinnati. He became an associate of Actuarial Society of America in 1920 and in 1925 he was made a fellow. For a time after joining Mutual Benefit he continued his teaching activities by conducting classes in mathematics in the Columbia extension courses.

Mr. Jones joined Mutual Benefit in 1923. He worked in the mathematical department while studying for membership in Actuarial Society. He was elected an associate in the society in 1926 and a fellow in 1929. He was appointed an assistant mathematician in 1933. In recent years, as a member of American Institute of Actuaries, Mr. Jones has done much work on the construction of monetary tables based on the new commissioners standard ordinary mortality table, which has been adopted by many states. In 1942 he was appointed a member of the pension trusts and group annuities committee of American Life Convention and Life Insurance Association of America.

Mr. Melchinger has been a member of the mathematical department 14 years. Mr. Melchinger spent nine years as a customs broker in Newark firm before joining Mutual Benefit's actuarial student group. In 1940 he completed his examinations for fellowship in Actuarial Society. He is also a fellow of American Institute of Actuaries and a member of Junior Actuaries Club of New York.

Mr. Ward, after graduation from Rutgers University in 1933 joined the mathematical department of Mutual Benefit. He took his first actuarial examinations in 1934 and in 1940 received his fellowship in Actuarial Society. He is also a

fellow of American Institute and of Junior Actuaries Club of New York.

Mr. Davison has been in charge of the tax department since 1942, having been a member of that department since its organization in 1937. His association with the company began in 1927 in the filing department. Seven years later he received his B.C.S. degree from New York University night course.

### Humphrey Returning to K. C. Life Actuarial Post

Patrick L. Humphrey, assistant actuary of Kansas City Life for about eight years until he entered the navy, returns to his post with the company in two or three weeks. He was a lieutenant and participated in four major Pacific actions.

## CHANGES

### Hoffman Opens New Columbus N.W. Nat'l Office

Northwestern National Life is opening a regional service office at Columbus, O., to be devoted entirely to agency and policyholder field service. Harry D. Hoffman, for 12 years a member of the field supervisory staff, first in the Chicago branch and later at the home office, will be in charge as manager.



H. D. Hoffman

The new office is aimed at increasing the scope and degree of home office service to agents and agencies, and in turn to policyholders, by bringing the home office closer to the man in the field. Mr. Hoffman will be located at 531-32 Huntington Bank building. He is a native of Ohio and has a broad background of personal production, managerial and supervisory experience.

### Fry Corpus Christi G. A.

Harvey J. Fry, formerly with Minnesota Mutual Life at Austin, Tex., is now Corpus Christi, Tex., general agent of that company, with offices at 912 Medical Professional building.

### Mazza Returns to Harrisburg

Anthony P. Mazza, who was recently discharged from the navy, has resumed his duties as manager of the Harrisburg, Pa., office of Ohio State Life. He has opened new offices at 420 North Third street there.

### Unity Mutual Manager Shift

Unity Mutual Life & Accident of Los Angeles has transferred Mark B. Perlmutter, manager at Fresno, Cal., to Santa Ana, Cal., as manager.

### Returns to Washington, D. C.

Maj. D. M. Stephens, who has been relieved from active duty in the army, has returned to his old post with Reliance Life as manager in Washington, D. C.

### B.M.A. Opens Cincinnati Office

CINCINNATI—Business Men's Assurance has opened a new office here at 1301 Carew Tower, with H. G. Glenn as manager. He formerly represented Inter-Ocean Casualty in Cincinnati.

### Short Retires at Dallas

R. F. Short, for 20 years manager of the Dallas agency of Southland Life, has retired. John Evans, former agency secretary of Southland, has been appointed acting manager.

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## Form Chicago State Mutual Team



J. B. NOTHHELFER



WALTER C. LECK

John B. Nothhelfer, Chicago general agent for State Mutual Life, has formed a partnership with Walter C. Leck. Mr. Nothhelfer started with State Mutual in 1929 and Mr. Leck became associated with the company in 1933.

This partnership brings together two men, who for the past seven years, have worked jointly in the building of one

of State Mutual's large agencies, now located at 1400 Bankers building in Chicago.

Both Mr. Nothhelfer and Mr. Leck have had wide experience as agents and organizers.

Mr. Nothhelfer is a graduate of Purdue University and Mr. Leck graduated from University of Illinois.

## POLICIES

### Acacia Gives More Air Cover

Acacia Mutual Life has introduced a number of important underwriting liberalizations involving air travel. Full coverage is provided for service personnel being transported as passengers within the home area even on military or naval planes, unless operated for training purposes. Coverage is also provided for all other passenger trips in the home area whether on transport, private or military plane. Then there is full coverage for fare paying passengers on scheduled commercial airline flights outside of the home area, even on transoceanic flights.

Full benefit of the new provisions will apply to all policies now in force with aviation restrictions.

The home area with Acacia Mutual means the 48 states, District of Columbia, continental Alaska, Canada and Newfoundland. The provision relating to aviation now states that all aviation risks are assumed, except death of the insured as a result of travel or flight in, or descent from or with any aircraft if (1) the insured is a pilot or member of the crew of such aircraft or is participating in aeronautical training therein, or (2) such aircraft is being flown for the purposes of military or naval training, or (3) the insured is being transported, other than as a passenger in a passenger aircraft . . . between two points either of which is outside the home area; but only if death occurs within six months after such travel or flight.

### Great-West Liberalizes Its Juvenile Program

Great-West Life has liberalized its juvenile policies. The age limit for preferred risk ordinary life has been lowered to 6 years for amounts of \$5,000 and over and ordinary life endowment at 85 may now be written from birth in amounts of \$1,500 and up, with both plans on a participating basis.

Great-West Life juvenile sales in the

United States in 1944 were up 67% over the previous year and one out of every four policies sold during 1945 has been on a juvenile life.

### Changes War Clause Ages

North American Life & Casualty announces that the war clause hereafter will apply to ages 16-30 rather than 16-40 inclusive.

### Drops War Clause Requirement

Security Mutual, N. Y., has notified its general agents that effective immediately applications for new life insurance will be considered without war clauses. On applicants below age 30 the maximum amount will be \$25,000 until further notice.

## SALES MEETS

### American H. & L. Managers Meet

Because of travel restrictions and hotel accommodations, American Hospital & Life of San Antonio has been holding a series of meetings for its managers and leading producers. The first was attended by the Houston, Dallas, Fort Worth, Brownsville and St. Louis managers and a second by those at Oklahoma City, Kansas City, Austin, Corpus Christi, Lubbock and Waco.

### Lincoln National Wis. Outing

Following a three-month production contest among Wisconsin agencies of Lincoln National Life, the 20 agents who qualified were guests at a four-day outing at Muskie Inn on Pelican Lake near Elcho, Wis. Ten of the agents also qualified with sufficient points to bring their wives as guests. A. L. Dern, vice-president and director of agencies, was on hand from the home office. J. Bon Davis, general agent at Appleton, was chairman, assisted by W. C. Ulrich, Madison; T. S. McQueen, Racine, and Hugh Holmes, Milwaukee.

### Old Line Life Regional Rally

Paul A. Parker, agency director of Old Line Life of America, and Sy Manix, actuarial department, were the principal speakers at a meeting at Manitowoc, Wis., of agents from Sheboygan,

## LEARNED DEBATES



on whether postwar years will bring inflation or deflation will be concluded only by events themselves. But come what may, life insurance will stand through it all—guaranteeing known amounts of money when needed most urgently.

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## GIRARD LIFE INSURANCE COMPANY OF PHILADELPHIA

Opposite Independence Hall

## GLOBE LIFE INSURANCE COMPANY OF ILLINOIS

Offers Illinois Agents  
Exceptional Agency Opportunity  
VERY ATTRACTIVE CONTRACTS

**COMPLETE LIFE INSURANCE  
COVERAGE—AGES 0-60**

**Excellent Line of Juvenile Policies  
FULL BENEFIT AGE 5**

For Particulars Write Home Office—Address Since 1895  
**431 South Dearborn St., Chicago, Illinois**  
WM. J. ALEXANDER, PRESIDENT

Calumet and Manitowoc counties. This regional meeting was one of a series being held to replace the general company convention.

### Lincoln National Salt Lake Rally

Vice-president Cecil F. Cross and F. W. Gale, superintendent of agents, addressed a two-day regional conference of Lincoln National Life in Salt Lake City with General Agent Thorpe B. Isaacson presiding. Agents from Utah, Idaho and Nevada attended. Vice-president Cross classed Mr. Isaacson's agency as "one of the outstanding agencies of the company."

## ASSOCIATIONS

### Falkstein Reviews Pension, Profit Sharing Plans

Frank B. Falkstein, of the Elmer Abbey agency of Aetna Life, San Antonio, spoke to the San Antonio Association of Life Underwriters on "Pension and Profit Sharing Plans." He said only those business men who are interested in the welfare of their employees and the permanency of their staff offer a good market for these programs. He regards stability of the business as related to a consistent profit record through a number of years as the determining factor in a pension plan. Many firms which were not making a profit before war activities became important have been shown a good profit during the war. New enterprises have sprung up and have not been tested under peace production conditions.

Mr. Falkstein considers the profit sharing plan preferable for firms where there has not been a consistent profit shown through a number of years under peace conditions and where the number of employees has been greatly increased to care for increased demands due to war. He regards it as fairer to employer and employee in businesses where stability has not been determined.

The setting up of a pension or profit sharing plan calls for long and careful preparation. Although the burden of the

preparation must rest on the life salesman, he considers it advisable to call in both an attorney and an accountant to give the employer their approval of the plan.

Mr. Falkstein said the first year under the plan offers little compensation, and that profits must come from years ahead and additions. Writing of additional insurance on key men is one result that may come from setting up these plans.

### Chicago Committees Named

H. Kennedy Nickell, Connecticut General Life, president of the Chicago Association of Life Underwriters, has named these committee chairmen: Advisory Council, C. E. Smith, Northwestern Mutual; bulletin, James Tibbetts, New England Mutual; business practice, E. S. Rappaport, Pacific Mutual; by-laws and resolutions, J. R. Francis, Metropolitan; community fund, H. P. McLaughlin, Massachusetts Mutual; co-operation with attorneys, credit men, C.P.A., trust companies, chamber of commerce, Paul W. Cook, Mutual Benefit; educational-sales forum, R. D. Hinkle, Equitable Society; finance, R. R. Reno, Jr., Equitable Society; legislation, J. H. Brennan, Fidelity Mutual; library, Lillian F. Reid, New York Life; membership, R. W. Depau, Jr., Metropolitan; program, Earl M. Schwemm, Great-West Life; publicity, C. E. Lindstrom, Travelers; reception, E. J. Herrick, Continental Assurance; Red Cross, R. W. Weber, John Hancock; regional meetings, A. J. Perlmutter, Prudential; sales congress, Harry R. Schultz, Mutual Life; speakers bureau, R. W. Frank, State Mutual; veterans affairs, W. C. Peck, Reliance Life; war bond, George Huth, Provident Mutual.

### Home Office Men to Speak

DALLAS—"The Home Office Underwriter—the Agent's Best Friend" will be the theme of the Aug. 24 meeting of the Dallas Association of Life Underwriters. The following panel of chief underwriters of Dallas companies will take part in the discussion: W. H. Blaney, Southland Life; Jack Penner, Great American Reserve; Ernest Brewer, Republican National Life; and Rob-

ert Caplinger, Reserve Loan Life. Medical directors of Dallas companies will be special guests and will participate in a forum following the talks.

**Oklahoma City**—For the first time a women's activities committee has been named. This group will furnish the program at one meeting during the season. Miss Pearl Easley, Massachusetts Mutual, is chairman.

**Albany, Ga.**—Roy Dial, Gulf Life, was elected president, succeeding W. H. Holman; Fred Darby, vice-president; I. H. Henry, secretary, and B. P. Atkins, national committee man.

**Northern New Jersey**—The directors, officers and committee chairmen will hold a luncheon meeting in Newark, Sept. 20 to outline plans for the season.

**Hudson County, N. J.**—The first luncheon meeting of the season will be held in Jersey City Sept. 20.

**Little Rock**—Returning soldiers will expect from their insurance advisers a detailed knowledge of just what is provided by the National Service Life Insurance policies, J. Wylie Craig, former agency assistant in the home office of Aetna Life, now a sergeant in the Signal Corps, Camp Crowder, Mo., declared.

He said the returning soldier also will expect the agent to have at heart the welfare and interest of his soldier-client. He advocated that programming service be made available to returning service men.

## CHICAGO

### EXCHANGE IN NEW OFFICES

Offices of the Insurance Exchange Building, Chicago, have been moved to the sixth floor with direct entrances from both the north and the south buildings, the entrance of the south building being A-661 and that in the north building 661. There are three executive offices for Orr Goodson, general manager; John M. Winscott and Roy C. Swanson, assistant general managers. In addition there is a conference room and a secretary's office. Enlargement of the office is part of a general program adopted when L. J. Sheridan & Co. recently was appointed management agent of the building. There are several attractive photographic murals of the

Chicago downtown district displayed in the new offices.

### MAY USE APTITUDE TESTS

Guy W. Ferguson, head of Ferguson Personnel of Chicago, who is one of the leading experts in getting men fitted to insurance offices believes that in due season aptitude tests will be brought into play. At present important men are employed largely on their experience and reputation and ability but no account is taken of their special aptitudes and leanings. Mr. Ferguson in his work not only studies the man but the position to be filled. He makes as sound an investigation as possible of the men but so far has not applied aptitude tests.

### ADVERTISING RESULTS

Chicago life managers in recent weeks have found that advertising for men brings results. Heretofore there has been very little response to general insurance advertising. Seemingly people are interested in work that carried a definite salary. However, some very excellent men have responded to advertising and managers have been able to recruit some promising men. With more men returning from the service the thought is that there will be many more prospective salesmen.

### PENSION TRUST BUSINESS

Insurance salesmen that have been making money out of selling pension trusts are still working hard along that line, finding that they are still a very salable contract. While the tax situation enters into negotiations it is a fact that employers realize that it will be strictly up to them in due season to provide retirement and pension plans for employees. Regardless of how employers feel on the subject they know that there is a growing socialistic sentiment. That means that employers will be held more responsible for employees. Retirement incomes always attract attention. Men realize that they must provide for themselves or their employers must assist in forming and developing a retirement plan. Employers are changing their minds rapidly regarding their relationship to employees. In order to augment the faithfulness, continuation of employment, greater care is necessary for the employer to show a greater regard for the welfare of those in their organizations. Owing to this growing sentiment it is predicted the lapse ratio expected in pension trusts will be materially reduced.

### Inadvertent Payment Not Recoverable, Ill. Court Says

The Illinois appellate court, fourth district, upheld the beneficiary in Western & Southern Life vs. Brueggeman, a case involving payment of a claim to the beneficiary of a man in service who died of self-inflicted gunshot wounds. Western & Southern issued a policy on B. B. Triantos for \$1,000, which contained a clause providing that in the event insured died while in service in time of war the liability of the company was limited to the amount of premiums plus interest.

Insured died of a self-inflicted gunshot wound while a private in the army. Proof was sent the company, which in turn sent the beneficiary the necessary blanks to be completed. The company sent the beneficiary its draft for the full amount, and the draft was cashed by the defendant. The company subsequently sued on the ground it had overpaid defendant by \$950 and asked for recovery of that amount. The company contended it had paid the beneficiary the wrong amount inadvertently. A clerk in the claim department testified that

### AVAILABLE

A thoroughly experienced mortgage and real estate man, fully capable of taking complete charge of department or handling a territory. Exceptionally well acquainted in the Southern States. Seeks connection with a progressive company. Address C-55, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

## The Hall-Mark of Quality...

★ The true Craftsman is never satisfied with less than his best; the ideals to which he adheres embrace both maximum use of his finest talents and unselfish devotion to the vital interests of his patrons. Qualification for membership in "THE CRAFTSMAN'S CLUB" is an honor that, by reason of the rigid requirements of excellence, is coveted by all but attained by few. It will ever be so.

★ The insignia of the Craftsman is the symbol of steady progress toward lofty goals in *persistency of business, in average-size policy sold, in outstanding paid volume.*

— Splendid agency opportunities are now available —

AMERICAN UNITED LIFE INSURANCE COMPANY

Established 1877



Indianapolis





she had overlooked the fact that the policy contained the military and naval service clause because she was concentrating on the suicide clause in the policy.

The court pointed out that the general rule in Illinois seems to be that a payment made with full knowledge of the facts and circumstances and in ignorance only of legal rights cannot be recovered, and proof that the company making the payment was in fact under no legal obligation to pay and that the other party to the suit had no right to receive the payment is of no consequence and does not entitle to recovery. The conclusion of the trial court supported by evidence in the record, the court stated.

## ACCIDENT

### Less Paid Out in Claims: Companies See Effect of Gasoline, Other Restrictions

Companies writing accident insurance realize that the restricted use of automobiles has had a material effect on their claim ratios. There are not so many people driving automobiles. They drive them for shorter distances. They are more careful because of the difficulty in getting repairs. The death claims have lessened noticeably.

Just what the future will bring forth no one can tell. Company executives rather fear the return of service men who being released from rigid discipline and getting back to the home land may be inclined to be reckless and mix intoxicating liquors with gasoline. Furthermore when new automobiles can be purchased without difficulty it is predicted that there will be intensified driving, people will be on the road more and they will be less careful.

### Accident-Health Premiums Up 15%./ Gordon Reports

Accident and health premiums for the first six months of 1945 showed a 15% gain over the total premiums reported by United States companies through the first half of last year, according to Harold R. Gordon, managing director of the Health & Accident Underwriters Conference. Based on the present rate of sales, as compared with a grand total of \$518 million in accident and health premiums collected in 1944, Mr. Gordon estimates that 1945 should produce over \$600 million in premiums.

## RECORDS

**Volunteer State Life**—Ratio of gain in insurance force for the first seven months of 1945 showed an increase of 65% over the gain of insurance in force for the first seven months of 1944. Increase in paid business during the first seven months of 1945 over the same period of time in 1944 was 18%.

**Commonwealth Life**—Record gains, including a 74% increase in paid volume, were made in the ordinary department during July. New business written was 47.9% greater than a year ago and net new business increased 86.7%. The increase in insurance in force was 110.1% greater than that of July of last year.

**Union Mutual Life**—Paid business for July showed an increase of 89.35% over that of July, 1944. The year-to-date total of paid production is 35.98% greater than that for the corresponding period a year ago.

The gain registered during the first seven months represents an all-time high. Insurance in force now stands at more than \$130 million.

**Franklin Life**—July new production was \$7,339,000. This represents a new all-time high record, and a gain of 91% over the July, 1944 figure. Insurance in force exceeds \$291 million. Upon completion this month of the reinsurance program involving Great American Life of San Antonio, insurance in force will exceed \$333 million.

Compensation earned the first seven

### Thurman's Ideal Agency Office Takes Shape

An ambition that E. B. Thurman, general agent of New England Mutual Life in One North La Salle street, Chicago, has had for a great many years has been realized by his move into handsome new quarters in the tower on the 36th floor of the same building. Through the years Mr. Thurman has planned various details of the ideal life agency, and these are now all incorporated in his new office. He had a long struggle with office architects and designers over various points but prevailed.

The entire clerical staff and space for office work is in the center, set off by steel files surrounded by aisles, and outside of that a series of private offices for agents. There is no "bull pen" for each agent is assigned to an office, generally two or three to a room, with space for 26 in the private offices and for nine in the clerical staff. On one side of the work space facing the office entrance there is a counter for policyholders' and brokers' service. Near the entrance is a recessed telephone switchboard with only the face showing in an opening in the wall. There is a well equipped medical room which serves a dual purpose. For two hours each afternoon a medical examiner has AA-1 priority on the room; at all other times it is occupied by an agent and has a screen to conceal the medical features.

#### Few General Gatherings

Mr. Thurman has no agency room for Monday morning meeting for he does not hold such meetings. Instead he holds a monthly dinner and get-together. The contacts with the agents generally are carried out individually and privately, although not in seclusion, because Mr. Thurman's office door always is open.

In his private office there are a desk and table which were made for Gen. Charles G. Dawes when he was Vice-president of the United States. Mr. Thurman found them being refinished when he looked around for new office equipment. His personal desk is now termed "Hell" and the table is "Maria."

There is a telephone on every desk. Two women are assigned as private secretaries to the agents and three others to do general stenographic work. All are well informed on life insurance and can answer questions and offer suggestions on policy audits and other technical matters as they have had a number of years' experience in the Thurman agency.

months by agents was 81% in excess of the amount disbursed in the same period last year. First year cash premium income reached a total as of July 31 for the year of \$1,936,000, a 55% increase. Total cash premium income in the last seven months was \$6,832,000, an increase of 27%. Mortality for the year is slightly higher, standing at 50% of the expected. Sales of city real estate have brought that item in the portfolio to a figure less than \$200,000, which is less than .5% of resources.

**Bankers Life, Inc.**—Paid business in July amounted to \$8,390,000, of which \$6,746,000 was ordinary, and \$1,644,000 group. The total was more than \$1,733,000 in excess of July last year. The seven month total exceeds 71 million, 51 million ordinary and 20 million group, the total increase being 10 million. Total in force at the end of July was 993 million, an increase of 47 million for the year to date, and 93 million in the last 12 months.

**Minnesota Mutual**—Examined business for the first seven months increased 43.6%, July gain being 30.8%. Paid business for the seven months totaled \$37,807,613, a gain of 34.5%. The group had an increase of 9.2% for a total of \$10,500,809 of new insurance.

**National, Vt.**—July showed a combined record of production of new business and conservation of old business that exceeds any July record since 1930. The new sales were nearly \$6 million, 28.12% above those of July last year and the increase in insurance in force for the year thus far has been \$31,680,176.

**Business Men's Assurance**—July was the 31st consecutive month in which total production was an all-time high for the month and the 54th consecutive month of increase over the corresponding month of the previous year.

Total production including life and

### General Agency

#### Opportunities in:

COLUMBUS, OHIO  
TOLEDO, OHIO  
DAYTON, OHIO  
SYRACUSE, N. Y.  
BINGHAMTON, N. Y.

An opportunity is available in each of the places named for a proven personal producer to secure a General Agent's rate of compensation on his personal production — together with longtime renewals. Also the opportunity to build an Agency of his own as he becomes qualified to do so.

If you are ambitious to have your own General Agency — and it is not available in your own Company, write, in confidence to

V. W. EDMONDSON, Assistant to the President

*The Manhattan Life*

INSURANCE COMPANY

Founded 1850

120 West 57th Street

New York 19, N. Y.

### Announcing — A New Family Security Rider

Designed to give maximum protection to widows and children at minimum costs.

#### THIS PLAN IS DIFFERENT!

Attractive General Agency openings in Iowa, Nebraska, Missouri, Arkansas and Mississippi.

For further information write to:

J. DeWitt Mills, Superintendent of Agents

MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY  
*Life Insurance Company*

812 Olive Street

Allen May, President

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### ONE CASE OR A DOZEN

Surplus Lines  
Handled With Dispatch!  
Renewable and/or Convertible  
5-10-15-20 Year Term  
Term to Age 65  
Mortgage Cancellation Policies  
(Yearly Renewable Term)  
Complete Line of Juveniles  
From Age 0  
Let Us Hear From You

**Philadelphia Life Insurance Company**

111 NORTH BROAD STREET, PHILADELPHIA 7, PA.

Founded



in 1906

A. & H. was 37.3% ahead of last year and for the year to date the company is showing a gain of 39.4% over 1944.

Paid life insurance in July was \$3,417,109. For the year to date the total is \$26,982,628 which is 19.1% ahead of last year.

All of the branch offices are ahead of the first seven months of 1944.

### Name Senate Members of Insurance Study Group

Lt. Gov. Cross of Illinois, president of the senate, has appointed Senators Arthur J. Bidwill, River Forest; D. Logan Giffin, Springfield, and Thomas E. Keane, 23rd district, Chicago, to the interim insurance commission. Appointments to be made by the speaker of the house and by Gov. Green have not yet been announced.

The director of insurance is included in the commission but it is not necessary that he be made chairman. The bill provides that the commission shall select its own chairman.

The commission is directed to make a study of the laws of Illinois relating to the taxation and regulation of insurance companies as affected by the S.E. U.A. decision and by Public Law 15 and report to the legislature its recommendations for the enactment of such legislation as it may deem necessary to preserve existing state controls over insurance.

### Row to Handle Reservations for Commissioners' Dec. Meet

LANSING, MICH. — Commissioner Forbes announces that F. Damon Row, Michigan Trust building, Grand Rapids, state agent of Springfield F. & M. and Michigan F. & M., has been selected as chairman of reservations for the meeting of the National Association of Insurance Commissioners, Dec. 2-5, in Grand Rapids.

Mr. Row was selected for this work at a meeting of representatives of Michigan companies in Detroit. Another meeting will be held here Aug. 23, at which a complete slate of committees for the convention is to be chosen.

The Pantlind hotel, convention headquarters, will turn over all reservation requests to Mr. Row and it is presumed that most applications will be filed directly with him.

"In time the uninsured is not only out of luck—but is stuck."

RESPONSIBILITIES gravitate to the person who can shoulder them, and power flows to the man who knows how.—Elbert Hubbard.

## Good Record for Group Cover on Federal Workers

WASHINGTON — Loss experience under the Equitable Society group life program for civilian federal government employees assigned to duty abroad and who are covered under the War Agencies Employees Protective Association group plan has approximated 50%, based on domestic experience, it is understood. This despite the fact that WAEPA members covered have been exposed to practically every conceivable risk incident to the war, the world over.

For example, there were over 1,000 WAEPA-covered people in London during the several Nazi blitzes. There have been many "near misses" in WAEPA experience, but no catastrophic losses, which factor is always present and overhangs a group of this nature.

An instance of the risks met may be cited in the complete disappearance of two planes with their passengers going over "the hump" in Burma. Luckily for the WAEPA-Equitable plan, each plane carried only one passenger covered under the plan. Claims were paid in both cases, it is understood, on the basis of presumptive death of the insured.

### Good Showing in Audit

The second annual audit of the WAEPA program is understood to have made a good showing. WAEPA group insurance operations have more than quadrupled during the past year, according to report of its officers, who, together with WAEPA directors, receive no compensation from WAEPA. All of its employees are paid by WAEPA—not by government.

Retirement of Lauchlin Currie, an administrative assistant to the late President Roosevelt, has been followed by election of Undersecretary of War Robert Patterson as WAEPA president. Currie had been its first president. Stacey K. Beebe, former New York insurance broker and special assistant to the administrator of the foreign economic administration, continues as WAEPA executive director.

The WAEPA group is said to be the first that has had such great exposure to all kinds of risks all over the world. Tens of thousands have flown the oceans safely, it is pointed out. The light losses resulting are believed to have had considerable bearing on recent modifications of commercial aviation coverage riders.

Many members of Congress going

abroad have been taking out WAEPA group coverage, it is understood. Issuance of a general War Department order has been followed by receipt of thousands of applications for coverage from civilian employees of that agency going abroad on official business.

It is understood that WAEPA's membership covering civilian employees of government have been going abroad on such business more than ever before, since V-E Day. Such employees taking out WAEPA coverage may retain it while back in the United States between official overseas trips, it is stated. Many of them have made more than one such trip, some, perhaps, a dozen or more. The coverage becomes effective from the minute the policy is applied for, all through transit of the insured by any means here or abroad, and throughout his stay abroad and his return to this country.

One reason for low loss experience, aside from safety of modern travel even in wartime, is stated to be that the WAEPA program has the benefit of the best medical selection. Physical examinations and administration of numerous "shots" to guard against diseases are part of the rules, although occasionally an employee of a certain agency possessed of highly specialized knowledge or experience may be made an exception of.

### Red Cross Proposal

So sound and popular has the program come to be regarded that certain groups, not strictly official or governmental, are reported to have sought coverage, but to have been denied the same under WAEPA rules. In this connection, it is understood that consideration has been given to the possibility of including Red Cross workers. But they and representatives of USO and other groups working with armed service personnel abroad are not eligible.

Consideration was also given at one time to possible inclusion of war correspondents abroad. However, this proposal never materialized.

Possibility is suggested that federal bureau of investigation agents going abroad may come under the WAEPA program, although they have not done so to date. However, Department of Justice employees other than FBI agents are eligible and insured by WAEPA.

### FBI Considers Group Plan for Its Employees

WASHINGTON—Among the several groups of federal government employees who have insurance protection are the agents of the federal bureau of investigation. They maintain a mutual benefit association fund, known as the special agents fund, through assessments of \$10 made whenever deemed necessary to pay benefits and maintain a reserve.

Death benefits of \$10,000 are paid to the beneficiary of any FBI agent who dies from any cause, anywhere, any time before resignation or retirement of the agent, says S. J. Tracy, FBI assistant director.

Mr. Tracy says consideration has been given to the possibility of setting up some kind of a group insurance plan for FBI employees generally, clerical as well as agents. Meanwhile, however, they are said to be eligible for the group insurance life plan organized in the Commerce, Justice, and one or two other government departments.

The special agents fund was started nearly 10 years ago when "G-men" were having a tough time dealing with kidnapers and other public enemies. W. R. Glavin, FBI chief clerk, has charge of the administering the fund, with the advice of a special committee.

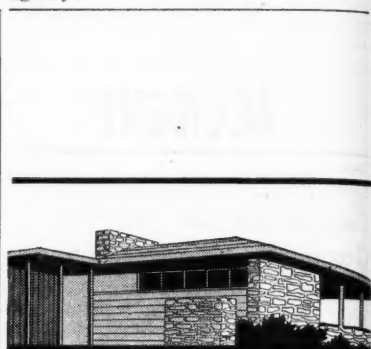
Mr. Tracy says the FBI agents could not at that time obtain either commercial insurance or government insurance of any kind without special legislation by Congress. The fund started off with \$10 subscriptions by individual agents, who numbered then about 400.

Under the plan then in effect, \$5,000 death benefit was payable when a cov-

ered agent was killed in line of duty, such as a gun battle with criminals. Later, the program was liberalized to provide for \$10,000 death benefit when an FBI agent dies from any cause during his service as such.

Some 4,500 FBI agents participate in this mutual arrangement.

Maj. Sidney H. Wiedermann, son of B. A. Wiedermann, San Antonio manager of Union Central Life, who was a member of the San Antonio agency before entering the army, has received his discharge and is again active in the agency.



## You Can Plan Today For Your Production and Home of Tomorrow

through a

## RENEWAL COMMISSION LOAN

### Money for...

- PRODUCTION
- WORKING CAPITAL
- CUSTOMERS' NOTES AND ACCOUNTS
- POSTWAR OPPORTUNITIES
- EXPANSION
- HOMES, ETC.

OUR BUSINESS is loaning you money in substantial amounts . . . the one source in the U. S. that specializes and really understands your needs.

A renewal loan of \$4,500 costs you only 11 cents per day per thousand dollars.

A unique plan developed by us in cooperation with the Northwestern National Bank of Minneapolis.

**LIFE UNDERWRITERS CREDIT CORPORATION**  
MINNEAPOLIS 2, MINNESOTA

## United Life and Accident Insurance Company

Concord, N. H.

Representatives Have Something Unusual to Sell

Ask the man who owns a United Life and Accident Insurance contract which contains:

1. Life Insurance
2. Double Indemnity
3. Triple Indemnity
4. Non-cancellable Accident Insurance
5. Waiver of Premium

For Details Write

**WILLIAM D. HALLER**  
Vice President and Agency Manager  
Concord, N. H.



## Insurance Faces Abrupt Changes

(CONTINUED FROM PAGE 1)

On the whole insurance is facing the post war future with an underlying feeling of equilibrium and confidence. That there is an era of prosperity ahead everyone feels in his bones. There is no depression talk and no depression atmosphere. Everyone is thinking in terms of expansion. Insurance people know that in an expanding economy insurance is bound to do well. There may be some unevenness as between the various lines of insurance during the months that lie ahead until peace time operations commence to take up the slack of terminated war work, but over-all the insurance picture is decidedly bright. Some of the best observers in the insurance ranks are confident that there will be at least 10 years of remarkable prosperity.

Insurance operations not only face changes consequent upon the end of the war, but also there is in the air the possibility of important changes particularly in the fire-casualty fields due to the S. E. U. A. decision and subsequent developments.

### Aggressive Development

Aggressive development in all directions will be the order of the day. Some organizations will do better than others, some have definite plans while others have felt that planning was useless because so many contingencies had to be taken into consideration. Those that made plans may come out ahead, not necessarily because the plans are good but because they are conditioned psychologically to be on their mark and to move quickly.

There is sure to be a new era of salesmanship. During the war we have not been after each other to buy things. The salesman, not the buyer, has been the one that has been cultivated. The emphasis will be changed to getting something to process rather than on processing what is thrown at us over the transom, so to say. Insurance salesmanship, both in the life and property fields, will be intense.

## Mutual Benefit Goes on CSO Table

(CONTINUED FROM PAGE 1)

has the effect of reducing the net premiums. The result is that the gross premiums are not increased as heavily

as they would be if only the interest rate were changed.

By making the two fundamental changes at one time, it is possible to avoid a material increase in the level of gross premiums, as is shown by the following table:

	Age 25	Age 40
Plan	Am. Ex. CSO	Am. Ex. CSO
Ord. Life ..	\$20.14	\$20.24
Life Pd.-up	21.57	22.00
Endt. at 65.	24.15	24.50
	36.03	38.97
	42.02	44.21

Reserves on the new basis will be generally larger than they are when computed according to American Experience 3%, and since there is no change in the manner of computing non-forfeiture values, these values will generally be larger. For example:

	Cash Value	Paid-up Values
End Am. of Ex. CSO	Am. Ex. CSO	Am. Ex. CSO
Yr. 3% 2 1/4 % 3% 2 1/4 %		
Ord. Life ... 1 \$ 5.86 \$10.46 \$13 \$19		
Age 40 .... 10 177.20 211.28 319 331		
	20 383.47 425.96 575 579	

Mr. Hardin said the constant aim has been to keep the premium rates as low as possible, having in mind the security of the policyholders, and to devise a form of policy unexcelled in the liberality and breadth of its provisions.

### Rhodes Praises N.A.I.C.

Vice-president Edward E. Rhodes said the adoption of the commissioners' table is a forward step, made possible by the action of the National Association of Insurance Commissioners and the legislatures of several states. It will remove criticism arising from the continued use of the American Experience table, although in the main such criticism has been unjustified. While there is no question of the company's ability to mature its outstanding policy contracts, the reduction in the assumed rate of interest is a conservative measure, justified by the recent past and probable future. In the long run, the cost of insurance to policyholders under the new policies should not differ from what the cost would be if the company continued to issue policies under the old forms.

### Regional Conferences

Small regional conferences are being held throughout the country during August and September under the direction of H. G. Kenagy, superintendent of agencies. These conferences have been planned so as to require a minimum of travel and hotel accommodations and are generally scheduled to avoid week-end travel.

At each conference, a team composed of an agency department man, an actuarial department man, and a general agent will handle the program.

The first conferences were held at

Cincinnati and St. Louis Aug. 13, and the schedule includes Kansas City and Hartford, Aug. 15; Boston and Des Moines, Aug. 17; Detroit, Aug. 21; Chicago, Aug. 23; Newark, Aug. 24; New York, Aug. 27; Buffalo, Aug. 28; Cleveland, Aug. 30; Baltimore and Atlanta, Sept. 10.

## New Round Table Member Record Set in 1945

(CONTINUED FROM PAGE 1)

Acacia Mutual, Norfolk, Va.; A. H. Koltenberg, Mutual Benefit, Grand Rapids, Mich.; Louis P. Kraus, New York Life, Baltimore; Robert J. Kugelman, Northwestern Mutual, New York.

Nathan Langberg, United Benefit, New York; Thomas A. Lauer, Northwestern Mutual, Joliet, Ill.; Chgries E. Laurent, Manufacturers Life, Toronto; Marc A. Law, Mutual Benefit, Chicago; Stanley S. Leeds, Equitable Society, Los Angeles; Frederick D. Leete, Jr., Northwestern Mutual, Indianapolis; Donald E. Leith, New England Mutual, New York; Alfred J. Lewallen, Mutual Benefit, Pittsburgh; J. H. Lipscomb, New England, Jacksonville, Fla.; Ned C. Litwack, John Hancock, Newark; Ralph E. Loewenberg, Massachusetts Mutual, New York; Eugene Lothgren, Northwestern Mutual, Providence, R. I.

Louis E. Madden, Kansas City Life, Milwaukee; Henry L. Maltenfort, Northwestern Mutual, Chicago; Edwin O. Martin, Provident L. & A., Chattanooga; L. C. Mascotte, Lincoln National, Port Wayne; A. Freeman Mason, Equitable Life, Ia.; Philadelphia; John L. McCann, Jefferson Standard, Charlotte, N. C.; Harry A. McCall, New York Life, Colorado Springs, Colo.; William H. McCoy, New England, Detroit; J. N. McLean, Penn Mutual, Jackson, Miss.; Willis F. McMartin, Northwestern Mutual, New York; Fred A. McMaster, Ohio National Life, Los Angeles.

Henry M. Meese, Travelers, Davenport, Ia.; Louis Meister, Mutual Life, Hartford; Arthur Menaker, Acacia Mutual, Los Angeles; Harry Merkin, Equitable Society, Washington, D. C.; Henry J. Miller, Equitable Life, Ia.; Philadelphia; R. E. Miller, Acacia Mutual, Norfolk, Va.; J. Renwick Montgomery, Phoenix Mutual, Philadelphia; Elmer C. Moore, New York Life, Wichita; Raymond A. Moran, Acacia Mutual, Richmond; Arthur S. Morgenstern, Mutual Benefit, Seattle; Marshall A. Morrisett, Acacia Mutual, Minneapolis; William H. Mountcastle, John Hancock, Honolulu, Hawaii; Edward G. Mura, New England, Kansas City; Allan V. Mutty, New England, San Diego, Cal.; W. U. Myers, National Life, Montpelier, Va.; D. L. Myrick, Great Southern Life, Lake Charles, La.

Jules Nassberg, Connecticut General, New York; Joseph L. Norman, Jefferson Standard, Denver.

Conant M. Ohl, Northwestern Mutual, Toledo; Jack Oltorp, Republic National, San Angelo, Tex.; L. E. Orwig, Prudential, Kansas City.

Gerald W. Page, Equitable Society, Los Angeles; George E. Parris, Bankers National, Philadelphia; Ned G. Patrick, Massachusetts Mutual, Omaha; Charles Carroll Peck, Canada Life, Toronto; Clarence E. Pejeau, Massachusetts Mutual, Cleveland; D. Sam Perry, Acacia Mutual, Richmond; John M. Pfell, Equitable Society, Pittsburgh; Robert E. Pitcher, John Hancock, Boston; Richard G. Poindexter, Northwestern Mutual, St. Louis; Milton R. Pollard, Security Mutual, Milwaukee; Doyt C. Polling, Prudential, Louisville; Herman W. Popper, Mutual Benefit, St. Louis; C. Lamont Post, Independent, New York; James H. Prentiss, Jr., New England Mutual, Chicago; Arthur E. Pribe, Penn Mutual, Rockford, Ill.; E. T. Proctor, Northwestern Mutual, Nashville.

James G. Ranni, Manhattan Life, New York; Fred G. Reed, Mutual Benefit, Chicago; Norman W. Remole, Guardian Life, Minneapolis; Sidney Rice, Fidelity Mutual, Indianapolis; Charles D. Richardson, New England Mutual, Memphis; A. Everett Riley, New York Life, Kansas City; George Paul Roberts, Massachusetts Mutual, Wheeling, W. Va.; Orlynn N. Robertson, Mutual Life, Santa Ana, Cal.; Frank L. Rochon, Sun Life, Can. Cape Elizabeth, Me.; Samuel D. Rosan, Continental Assurance, New York; Harold C. Rose, Northwestern Mutual, New York; Edward W. Rosenheim, Penn Mutual, Chicago; Leon I. Rothschild, Northwestern Mutual, Los Angeles; John R. Routsong, New York Life, Los Angeles; Frank J. Rubenstein, Equitable Society, Baltimore; Sam H. Rumph, Northwestern Mutual, Atlanta.

Tyer Sawyer, Mutual Benefit, Miami; Charles H. Schaaff, Massachusetts Mutual, Rochester, N. Y.; Carl F. Schlesselman, Sun Life Can., Minneapolis; Harry R. Schultz, Mutual Life, Chicago; Sherman O. Schumacher, Provident Mutual, Akron; Herbert J. Schwahn, Northwestern Mutual, Milwaukee; Lowell P. Schwinger, Northwestern Mutual, Waterloo, Ia.; Ben H. Sekt, New York Life, Sioux City, Ia.; Clifford A. Seys, Northwestern Mutual, Grand Rapids, Mich.; Wesley S. Shafto, Mutual Life, Monroe, La.; William D. Shelby, Jr., Acacia Mu-



There's a Rainbow's End in the Home Office records of every one of the hundreds of salesmen of the Bankers Life Company of Des Moines. Sometimes it's where it would least be expected, but there it is: A Pot of Gold and of Service.

Here are a few extracts from the salesmen's reports:

R. H. Hepfer of Berkeley, California, while traveling on a train, met a young Lieutenant, an attorney in civilian life.

"I sold him a \$2,000 policy for his 10-months old baby," says Mr. Hepfer. "He did not have his check book with him, but a few days later I received a swell letter, with the check".

\*\*\*

Henry Gau of Pierz, Minnesota, went to call on the operator of a moving picture projector.

"The machine was in operation during a performance," says Mr. Gau. "On the door hung a sign 'No Admittance'. There is nothing wrong with my lungs and I was able to drown out the loud speaker and make the operator understand that 'Money Talks'. After having him sign the app, I took over the operation of the machine while he phoned for an appointment with the doctor."

\*\*\*

Flint Sellars of Paducah, Kentucky, returned from a hospital where he had undergone an operation.

"I sold a policy to my next-door neighbor who came over to see how I was feeling," says Mr. Sellars.

\*\*\*

Arthur Glick of Creston, Iowa, called at the office of the Internal Revenue Department to pay his federal income tax.

"I figured that by putting out all that good money, I should get a return somewhere," says Mr. Glick. "I did. I sold the Tax Collector a nice policy."

\*\*\*

Cyril Manning of Juneau, Wisconsin, operated on for appendicitis, sold a policy to a Hospital visitor.

"Not one of the nurses," says Mr. Manning. "Just a girl who happened to come in—pretty girl, too."



**BANKERS Life**  
the Double Duty Dollar Company  
DES MOINES

## An Invitation

An association with this, the oldest life insurance company domiciled in the South writing Ordinary Insurance exclusively will offer:

1. A permanent future in a business which will enjoy rapid post war growth;
2. Little, if any, limit on earning power under an agent's compensation plan, providing liberal base salary and incentive commissions;
3. An opportunity to develop your own initiative and to "get some place in the shortest period of time".

We invite inquiries from those interested, especially returning service men who are now, or soon will be, planning peace time business careers.

**ATLANTIC LIFE**  
INSURANCE COMPANY

Richmond, Virginia

Organized 1899

Conveying Financial  
Plans Since the  
Turn of the Century



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**New C.L.U. Booklet**

"Significant Developments of the War Period in Corporation Finance, Banking and Investments" is the title of the third volume to be issued by the American College of Life Underwriters in its series of refresher monographs for C.L.U.'s and candidates in the armed forces.

The booklet was written on the background of the text material covered in the part of the C.L.U. program pertaining to finance.

Copies are obtainable from the headquarters of the American College of Life Underwriters, 36th and Walnut streets, Philadelphia 4, Pa., at 75 cents per copy.

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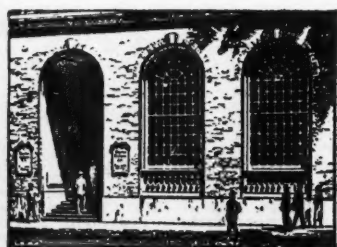
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## FRATERNALS

### C.O.F. Sets New Volume Record in June and July

The July production of Catholic Order of Foresters amounted to \$2,836,700. Combined with the June production of \$2,168,400 makes a grand total of \$5,005,100 for the two months which is an all-time high record. Total production from Jan. 1, 1945 to July 31 amounted to \$10,795,700, or a monthly average of \$1,542,243.

Since January, 1943, when the "Back to the Membership" plan of combining an efficient sales force with membership cooperation was adopted, \$40,030,106 of new business was written averaging \$1,291,296 monthly, breaking all previous records.

### Internal Revenue Rulings On Pension Terminations

(CONTINUED FROM PAGE 2)

the previous ownership or management for example:

"N" corporation adopted a pension plan in 1941. Most of the stock of "N" corporation is held by the president, vice-president, and treasurer, who are also the most highly compensated employees. Five percent of the contributions to the plan in 1941, 1942 and 1943 were for the benefit of these three employees. In August of 1944 the plan was amended to provide that not over 30% of the corporation's contributions made in any year after 1943 could be used for the benefit of the stockholder

employees. In September, 1944, the plan, as so amended was held to qualify under section 165 (A). In 1945 the corporation was dissolved and the business was taken over by the "N" company, a partnership formed by two of the former stockholders, together with two other individuals. The partners could not, of course, participate in the plan. The partnership did not make any contributions to the plan.

#### Nontaxable Dividends

On the basis of the facts stated, it is held that the plan from its inception was not a bona fide program for the exclusive benefit of employees as such and that it was primarily a device for distribution of nontaxable dividends to shareholders, and the previous opinion that it met the requirements of section 165(A), is accordingly reversed.

Attention is also directed to the provision of section 29.165-1(A) of regulations 111 which provides that the employer should notify the commissioner promptly when a plan is abandoned. If a plan has already been discontinued at the time of its submission for ruling, and such discontinuance was not disclosed at the time, this will be prima facie evidence that the plan was not a bona fide program.

\*\*\*

It should be noted that all of the foregoing is concerned with the provision that a plan will not qualify unless it is a bona fide permanent program for the exclusive benefit of employees. This is separate and apart from the requirements regarding nondiscrimination. In the examples given, the result would be the same whether or not the plan was discriminatory in operation. Of course, as provided in the regulations, the presumption of lack of bona fides and permanency is even stronger and more difficult to overcome if the plan was also discriminatory in operation. Even where the matter of intended permanency is not in question, if a plan is terminated for any reasons and such termination results in substantial discrimination in favor of officers, etc., the plan would not qualify under section 165(A) for the period during which its operation was discriminatory.

#### Limits Discrimination

The fact that a plan includes provisions conforming to mimeograph 5717 does not preclude a finding that the plan was in fact discriminatory in operation, nor is it evidence that the plan was a bona fide permanent program. Mimeograph 5717 seldom precludes discrimination, but serves to limit discrimination in some cases. Particularly, for a plan terminated in 1944, the generally acceptable conditions conforming to mimeograph 5717 have no effect at all, because of the relief allowed in paragraph 4 of the mimeograph for benefits purchased and guaranteed prior to Jan. 1, 1945. Likewise, for plans terminated soon after 1944, the provisions of mimeograph 5717 have little or no effect.

Mimeograph 5717 does not furnish an employer assurance that by pro forma compliance therewith a plan would automatically be considered as nondiscriminatory and as a permanent program for the exclusive benefit of employees in general, even if it is terminated within a few years and has in fact operated in a discriminatory manner or as a tax avoidance scheme. However, insofar as compliance with the mimeograph does in fact result in eliminating or limiting discrimination upon early termination, the employer has assurance to that extent that the plan will not be found discriminatory and that there will be corresponding elimination or limitation of the "special" additional evidence that the plan was not intended as a permanent program for employees in general. A plan which did not incorporate specific provisions to conform to mimeograph 5717, but under which the benefits could not exceed the limits provided in mimeograph 5717 would be just as likely or even more so, to be nondiscriminatory as one which has been required to incorporate specific provisions conforming to the mimeograph.

#### Unforeseeable Developments

It may be noted that mimeograph 5717 was primarily related to section 165(A) (4) of the code and section 29.165-4 of the regulations rather than to section 165(A) generally and that requirements for conforming to the limits in mimeograph 5717 are intended to limit possible discrimination in bona fide cases where early termination is due to business necessity and resulted from unforeseeable developments, as well as in cases where the intended permanence of the plan is in question. In the former type of case, specific or general provisions conforming to mimeograph 5717 might limit discrimination sufficiently to avoid retroactive disqualification. In the latter type of case, the provisions of mimeograph 5717 might not be sufficient. Since in many instances, it is impossible to decide definitely which type of case is involved, the inclusion of the provisions of mimeograph 5717 does not necessarily show that no early termination was contemplated.

It should be noted that all of the foregoing applies (with appropriate modification) to cases in which plans are amended so as to reduce benefits or employer contributions (i.e., cases of par-

tial termination) as well as to cases of complete termination.

### New Prudential Radio Program

NEWARK—A new and additional radio program will be sponsored by Prudential starting Aug. 27, over the American Broadcasting Company's network comprising 166 stations.

#### Afternoon Program

"Jack Berch and His Boys" will provide the 15 minutes of entertainment

each weekday, from Monday to Friday, inclusive, at 4 p. m. eastern war time.

Mr. Berch is a singer and friendly humorist.

This program will supplement Prudential's family hour on Sunday over the CBS, featuring Patrice Munsel, Metropolitan coloratura, who will return to the program Aug. 26. Beginning Sept. 9, the family hour will be broadcast from 5 to 5:30 instead of until 5:45.



## Be a home-front FIGHTER

**What Can You Do for Victory?** Today there is only one job for all of us—to fight for Victory over the enemies of Freedom. Our fighting men, and our women in the armed forces, are doing the finest kind of a job to bring about this Victory as soon as possible. They will continue to do so as long as we provide them with the material of war.

It is not much to ask compared with what they are risking—but it may mean life to those fighting men who are facing death, FOR US, day after day and night after night.

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Port Huron, Michigan

## All-Industry Group Names Committees

(CONTINUED FROM PAGE 3)

pears to be indicative of the interest of the different branches of the business in each of the three laws being studied. For example, the agents and brokers are represented on the committee to study the Robinson-Patman act but not on the others. The payment of brokerage commissions to representatives of the buyer is prohibited by the Robinson-Patman act.

There are some industry groups which feel that in spite of all possible study and research there is no way of really determining what is meant by the phrase "to the extent that such business is not regulated by state law," short of a decision by the U. S. Supreme Court, that without such a decision any legal rebuilding job will rest on only a shifting foundation.

On the other hand there is the view that as far as these acts are concerned, the state law need only authorize what these federal laws prohibit in order to take the insurance business out from under the Sherman, Clayton and Federal Trade acts. According to this view the laws of a number of states are probably already adequate in this respect or would be adequate with minor amendments.

It appears that much more difficulty is likely to be found in arriving at a general position for the insurance industry in connection with the Clayton act than as respects the F.T.C. or Robinson-Patman acts. It may be that it will be impossible to arrive at any general position on the Clayton act and that each group or company that thinks it is affected will have to seek its own remedies. This is due to the fact that there is no standard pattern among insurers as respects situations that might conceivably have any relation to the Clayton act. Besides that, the Clayton act deals with conditions in the light of their actual results, so that a situation that might conceivably conflict with the Clayton act, because of the results produced, might not be in violation if another set of companies were involved.

On the other hand, the outlook for obtaining industry-wide agreement on what should be done with respect to the F.T.C. and Robinson-Patman acts seems quite good at this stage. However, reports that have trickled out of the two-day closed session indicate that since the time was devoted mainly to

an airing of views, it will not be until the Sept. 19-20 meeting that the groups' ability to get together and make common cause will be put to the test.

In addition to those listed as subcommittee members, those present included the following: R. E. Engler, A. C. Charles, and J. T. Byrne of the American Institute of Marine Underwriters; F. J. Marryott, C. F. Goodale and J. B. Beach of the American Mutual Alliance; former Senator Felix Hebert of Rhode Island, representing the Associated Factory Mutuals; F. L. Harrington and F. M. Walters of the Health & Accident Underwriters Conference; H. L. Wayne, Inland Marine Underwriters Association; W. H. Bennett, and W. Ray Thomas, National Association of Insurance Agents; Russell Matthias, Chicago, National Association of Independent Insurers; R. W. Badger, National Association of Insurance Brokers; H. L. Ekern, Edmund Cummings, Jr., and F. F. Farrell of the National Fraternal Congress; J. Stuart Galloway, Fidelity & Deposit; C. F. Kremer, president of Hartford Fire and Hartford Accident; B. E. Shepherd, Life Insurance Association of America; John S. Hamilton, Jr., American Mutual Alliance; Ray Murphy, general counsel Association of Casualty & Surety Executives; Philip Baldwin and George Phelan of the National Association of Mutual Insurance Agents.

Mr. Murphy was selected as chairman of the sessions, with H. D. Wood, special assistant to President T. I. Parkinson of Equitable Society, as secretary.

Representing the National Association of Insurance Commissioners were Dineen of New York, Harrington of Massachusetts and Allyn of Connecticut.

### Effect of NSLI Extension

WASHINGTON—President Truman having approved the bill extending the life of five-year-term National Service Life policies for an additional three years from Dec. 31, next, the benefits of insurance under 17,627,500 NSL policies with total face value of \$136,242,260,000, at premium levels originally specified, are automatically extended, Veterans Administrator Hines stated. A statement issued by VA said:

"Insurance already converted to the three existing plans—ordinary life, 20-pay or 30-pay life, is not affected by the extension or by the premium rate extension.

"The effect of the act will be to extend for three years all insurance benefits now available to those in the armed forces without the necessity of any change being made in any allotments or deductions now in force. There will be no change in premium rates because of the time lapse between the original act and this extension."

### Change in Premium Payment

A number of life managers have impressed their men with the fact that they could render service by getting policyholders to change from a quarterly payment basis to a semi-annual and a semi-annual to an annual. The thought is that while there is nothing in this for the salesman it does give him an opportunity to render a service and offer some good advice. Some offices have been able to change many policy payment practices.

## Some Observations on Life Insurance Topics

(CONTINUED FROM PAGE 9)

for an agent to be making money and keep thoroughly satisfied and contented.

\* \* \*

### Real Estate

Most life companies have been very successful in marketing their real estate that they acquired under foreclosure, both farm and town. Some companies have made a rather handsome profit on the transaction. The opportunity has been given for companies to eliminate properties that were not on a paying and profitable basis. It has been necessary in many cases to hunt up customers. There is a demand especially for farm property and in many cases city property is being purchased as people realize that there will be much building ahead.

Life companies are much more conservative now in buying mortgages. They take few if any chances. They are very selective. There will not be the sad experience following World War I.

### Underwriters

A number of life companies are relying more and more on their experienced underwriters in passing business and not looking so much to the medical director. These underwriters have become very efficient. They have plenty of tables and books to guide them in their work. Many do not go to the medical director unless there is some complication or unusual problem. In days gone by it was necessary for the medical director to pass on every application. Now many see but a few. The underwriter takes a very common sense point of view.

### Keeping in Touch

Life companies are taking an inventory of the present conditions. They find that business is excellent. People have money and if agents are willing to work and solicit they have no difficulty in building a splendid personal business. The question arises naturally as to what course a company should pursue as to the future. Naturally there is no prophetic eye that can see far ahead and paint an accurate picture. However, it is generally agreed that one of the main duties of the field man and an agency is to keep in close touch with present policyholders. Now most are amply able to meet the premiums. In days to come they may be cramped.

### Watch How Wind Is Blowing

Therefore officials urge agents to watch which way the wind is blowing to render service to policyholders in every way possible and endeavor to help them. They may find it necessary to reduce their insurance. They should not drop it entirely but an agent can suggest ways and means whereby part of it can be kept intact. There may be some equity whereby a loan can be made. The type of insurance may be changed so that it will not be so expensive. Altogether there are many ways that an agent can help his policyholders. The man who is watching them carefully will be able to conserve much business.

### New Texas Group Meets Aug. 28

The first regular meeting of the newly formed organization of home office life underwriters of Texas companies will be held Aug. 28 in Dallas. It is planned to hold regular monthly sessions running through May of each year. Most of the meetings will be at Dallas. The leaders in the organization are E. F. Brewer of Republic National Life; W. H. Blaney, Southland Life; R. Caplinger, Reserve Loan Life, and Jack Penner, Great American Reserve.

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### DON'T BLOW IT

Oh, workman or scholar,  
Hang on to your dollar  
And do not spend it soon,  
For every cent  
Unwisely spent  
Inflates the price balloon.



### IT MAKES SCENTS

To market (black market) to spend lots of jack  
Careless of how many ceilings you crack,  
To market (black market) where prices are dear,  
—Gosh, there's a terrible smell around here.

# If

If you can keep your head and calmly ponder  
How silly spending drives the prices high;  
If you can save the cash you'd like to squander  
And only buy the things you need to buy;  
If you can do your part to fight inflation  
By simply being thrifty with your pelf,  
You'll do a vital service to the nation  
And—furthermore—you'll benefit yourself.

Bonds you buy with payroll earnings,  
Help fulfill your future yearnings.

### NO GAMBLE

When the war is over, will the prices  
rise or fall?  
We do not know the answer, and  
nobody does, at all.  
But this much we can prophesy—  
whichever way they go:  
You will find it more convenient if  
you've saved a little dough.

★ ★ ★



Money in your pocket,  
Take it out and sock it  
Into War Bonds, which  
Help to make you rich.

### DOUBLE AND NO QUILTS

When you boost your paycheck quota and allot it  
To another bond—it's pretty soft for you!  
For, although you've spent your money—you  
have got it, And the Interest is interesting too.

## POINTED RHYMES FOR TRYING TIMES

by  
Berton Braley

Here is wisdom by the peck  
Versified to save your neck!



### WHOT ME?

There was a little dope with a fat  
pay envelope  
And she spent every cent that  
was in it.  
And she wondered, by-and-by,  
why the prices rose so high,  
But she didn't blame herself for  
a minute.

★ ★ ★

### INFLATIONARY MARY

Inflationary Mary spills  
This silly kind of chatter:  
"My little teeny-wee bills  
And spendings do not matter.  
"And if I cheat a little bit  
On rationing and ceilings  
The Nation's welfare isn't hit  
By my small lawless dealings!"

Inflationary Mary's wrong.  
For she'd be much to blame  
If people in a mighty throng  
Should say and do the same.

Small spendings, in the aggregate,  
Reach sums extraordinary,  
So let's not try to imitate  
Inflationary Mary.

★ ★ ★

### ADVERTISERS, PUBLISHERS—NOTE:

You are welcome to use all or  
any part of the material on this page to aid  
the fight against inflation.



### SNAKE IN THE GAS

There was a crooked man and he  
lived in crooked style,  
He dealt at crooked markets with a  
smugly crooked smile.  
He viewed himself as clever with  
his crooked ration book,  
But everybody knew him for a  
crooked little crook.

★ ★ ★

### THE GANG'S ALL HERE

You may ask, "Why should my spending  
Cause inflationary trending  
Though I squander every penny I have got?"  
—If you're joined by sixty millions  
Of civilians blowing billions,  
You'll discover that it matters quite a lot!



### YOU CAN LAY TO THAT

As the best egg for a nest-egg  
Buy a War Bond—buy a batch.  
But you gotta keep 'em settin'  
Or they ain'ta gonta hatch!

Save your pay  
Here's a way—  
Bonds and savings and insurance  
Give your future more endurance.  
Mrs., Mister,  
Brother, Sister,  
Don't compete in buying things  
That is whence inflation springs.



### ONE PERSON CAN START IT!

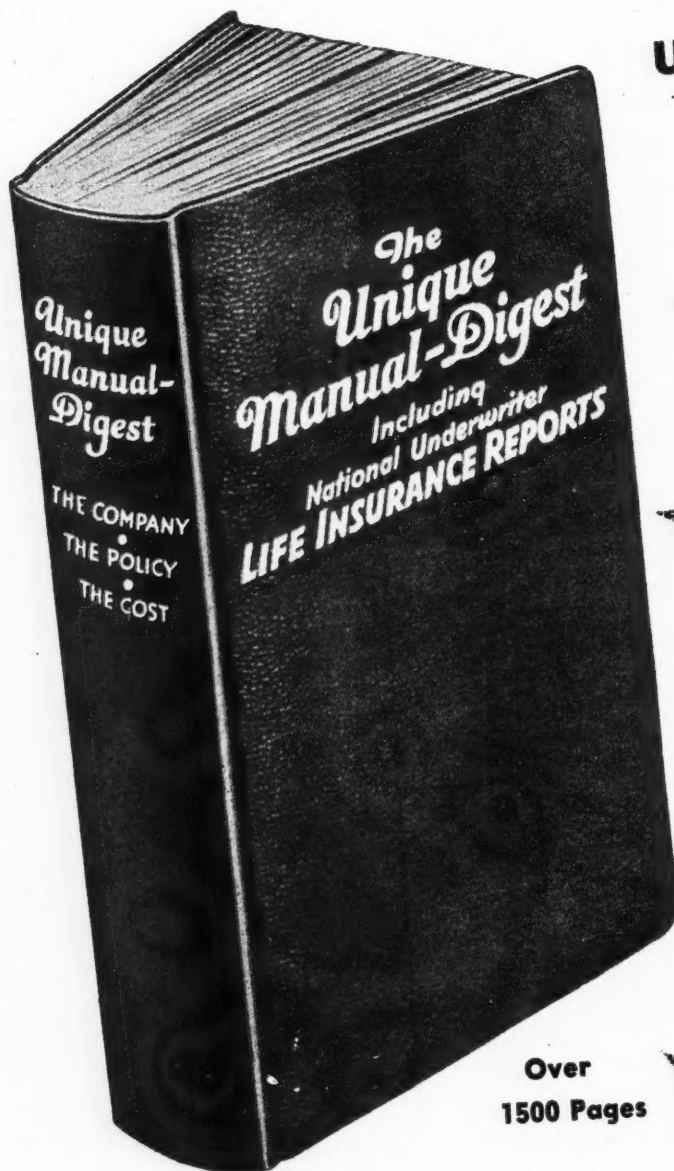
#### You give inflation a boost

- when you buy anything you can do without
- when you buy above ceiling or without giving up stamps (Black Market!)
- when you ask more money for your services or the goods you sell.

**SAVE YOUR MONEY.** Buy and hold all the  
War Bonds you can afford—to pay for  
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